TOWN OF PANTEGO, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Prepared by:

Sean Smith, CPA
Director of Finance

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

TABLE OF CONTENTS

	Page	Exhibit/Table
INTRODUCTORY SECTION		
Letter of Transmittal	1	
List of Principal Officials	6	
Organizational Chart	7	
GFOA Certificate of Achievement	8	
FINANCIAL SECTION		
Independent Auditors' Report	11	
Management's Discussion and Analysis (Required Supplementary Information)	15	
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	27	Exhibit A-1
Statement of Activities	28	Exhibit A-2
Fund Financial Statements:		
Balance Sheet - Governmental Funds	31	Exhibit A-3
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	33	Exhibit A-4
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	35	Exhibit A-5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	37	Exhibit A-6
Statement of Net Position - Enterprise Funds	38	Exhibit A-7
Statement of Revenues, Expenses, and Changes in Fund Net Position - Enterprise Funds	39	Exhibit A-8
Statement of Cash Flows - Proprietary Funds	40	Exhibit A-9
Notes to the Financial Statements	41	
Required Supplementary Information		
Budgetary Comparison Schedules:		
General Fund	66	Exhibit B-1
Schedule of Changes in the Town's Net Pension Liability And Related Ratios -Texas Municipal Retirement System	67	Exhibit B-2
Schedule of Town's Contributions - Texas Municipal Retirement System	68	Exhibit B-3
Schedule of Changes in the Town's Total OPEB Liability And Related Ratios -OPEB Plan	69	Exhibit B-4
Notes to Required Supplementary Information	70	

TABLE OF CONTENTS

	Page	Exhibit/Table
Combining Statements and Budgetary Comparison Schedules as Supplementary Information:		
Combining Balance Sheet - All Nonmajor Governmental Funds	74	Exhibit C-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Nonmajor Governmental Funds	75	Exhibit C-2
Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds	76	Exhibit C-3
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	77	Exhibit C-4
Budgetary Comparison Schedules:		
Court House Security Fund	80	Exhibit C-5
Court Technology	81	Exhibit C-6
Shamburger	82	Exhibit C-7
Debt Service Funds:		
Combining Balance Sheet - Nonmajor Debt Service Funds	83	Exhibit C-8
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds	84	Exhibit C-9
Budgetary Comparison Schedule:		
Debt Service 2019 CO	85	Exhibit C-10
Capital Projects Funds:		
Combining Balance Sheet - Nonmajor Capital Projects Funds	87	Exhibit C-11
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	88	Exhibit C-12
Pantego Economic Development Corporation		
Combining Balance Sheet - All Governmental Funds	93	Exhibit C-13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	94	Exhibit C-14
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Funds	95	Exhibit C-15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	96	Exhibit C-16
Budgetary Comparison Schedules: PEDC Debt Service Fund	97	Exhibit C-17
Budgetary Comparison Schedules: PEDC Operating Fund	98	Exhibit C-18

TABLE OF CONTENTS

	Page	Exhibit/Table
Supplemental Schedules:		
Aggregate Statement of Net Position - Water and Sewer Fund	100	Exhibit C-19
Aggregate Statement of Revenues, Expenses, and Changes in Fund Net Position - Water and Sewer Fund	101	Exhibit C-20
Aggregate Statement of Cash Flows - Water and Fund	102	Exhibit C-20
STATISTICAL SECTION		
Net Position by Component	104	Table D-1
Expenses, Program Revenues, and Net (Expense)/Revenue	106	Table D-2
General Revenues and Total Change in Net Position	108	Table D-3
Fund Balances of Governmental Funds	110	Table D-4
Changes in Fund Balances of Governmental Funds	111	Table D-5
Tax Revenues by Source, Governmental Funds	112	Table D-6
Assessed Value and Estimated Actual Value of Taxable Property	113	Table D-7
Direct and Overlapping Property Tax Rates	114	Table D-8
Principal Property Tax Payers	115	Table D-9
Property Tax Levies and Collections	116	Table D-10
Direct and Overlapping Sales Tax Rates	117	Table D-11
Sales Tax Collections by Fund	118	Table D-12
Ratios of Outstanding Debt by Type	119	Table D-13
Ratios of General Bonded Debt Outstanding	120	Table D-14
Direct and Overlapping Governmental Activities Debt	121	Table D-15
Legal Debt Margin Information	122	Table D-16
Pledged Revenue Coverage	123	Table D-17
Demographic and Economic Statistics	124	Table D-18
Principal Employers	125	Table D-19
Full-Time-Equivalent Employees by Function/Program	127	Table D-20
Operating Indicators By Function/Program	128	Table D-21
Capital Asset Statistics by Function/Program	130	Table D-22

This page is left blank intentionally.

Introductory Section

This page is left blank intentionally.

1614 S. Bowen Rd.
Pantego, Texas 76013
(817) 617-3700
Fax (817) 617-3726

March 14, 2022

TO: Honorable Mayor and Town Council Members and
Citizens of the Town of Pantego, Texas:

The annual comprehensive financial report of the Town of Pantego for fiscal year ended September 30, 2021, is hereby submitted. State Law requires that all governmental units publish within six months of the close of each fiscal year financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by independent certified public accountants. This report is published to satisfy that requirement and to provide the Town Council, staff, our citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the Town government.

Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. The Town is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse and to insure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

State Law requires the Town's basic financial statements to be audited by independent certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town are presented fairly, in all material respects, for the fiscal year ended September 30, 2021. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Rutledge Crain & Company, PC, Certified Public Accountants, performed the required audit and have issued an unmodified ("clean") opinion on the Town of Pantego's financial statements for the year ended September 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

THE REPORTING ENTITY

Pantego incorporated in 1952 as a village but changed to a Type A General Law city in 1967. Pantego is located in Tarrant County and is entirely surrounded by the cities of Arlington and Dalworthington Gardens. It is located in the middle of the Dallas-Fort Worth Metroplex, a metropolitan area spanning several counties. General Law cities are smaller cities, most of which are less than 5,000 in population. All General Law cities operate according to specific state statutes prescribing their powers and duties. General Law cities are limited to doing what the state authorizes or permits them to do. If state law does not grant General Law cities the express or implied power to initiate a particular action, none may be taken.

The governing body of a municipality operating as a Type A General Law municipality is known as the "City Council" and if the city has not been divided into wards, the governing body always consists of a Mayor and five Council members. Under this form of government, the Mayor and five Council members are elected at large for staggered two-year terms on the first Saturday in May. All members serve without compensation. The Mayor and City Council appoint the City Manager, City Secretary, Town Attorney, and all who serve on the Town's Boards and Commissions. The City Manager in turn appoints the heads of various departments.

In 1980, the Town adopted a Council-Manager form of government. The basic structure of the Council-Manager plan is similar to that of a private corporation, in which the stockholders elect a board of directors which then hires a president to run the company. Under the Council-Manager plan, the voters elect a City Council which, in turn, hires a City Manager to administer the Town's day-to-day affairs. The Town Council serves as the legislative body, sets policy, approves an annual operating budget, sets the tax rate, and determines the size of the payroll and the extent and cost of municipal services. In short, the Council is the final authority on all of the many policy decisions that determine the scope and functions of the Town government.

The Town provides a full range of services. These include public safety (police, fire and emergency medical services), municipal court, public works, community development and general administrative services. In addition, the Town owns and operates a water and sewer distribution system.

The basic financial statements of the Town include all governmental activities, organizations and functions for which the Town is financially accountable. The criteria considered in determining governmental activities to be reported within the Town's basic financial statements are based upon and consistent with those set forth in the Codification of Governmental Accounting and Financial Reporting Standards. Component units are legally separate organizations that a primary government must include as a part of its financial reporting entity. The government-wide financial statements include not only the Town itself (known as the primary government), but also include the Pantego Economic Development

Corporation (PEDC) as a discretely presented component unit. The discretely presented component unit is presented in a separate column in the government-wide financial statements.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the Town's accounting system, consideration is given to the accuracy of internal control over financial reporting. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from the control. The evaluation of costs and benefits requires estimates and judgments by management. We believe the Town's current system of internal control over financial reporting adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

In addition to the system of internal controls, the Town maintains budgetary controls. The objective of these budgetary controls is to ensure compliance of legal provisions embodied in the annual appropriated budget adopted by the Town Council. Budgetary controls are exercised at the departmental level. If necessary, the original adopted budget is modified to incorporate into a proposed mid-year budget, which is then used as the working budget for the remainder of the fiscal year.

LOCAL ECONOMY

The Town of Pantego's location between Dallas and Fort Worth is ideal for business and residents. The North Texas region possesses diverse research and educational institutions, logistics, oil and gas, manufacturing and industrial, and a professional service. This base has traditionally contributed to a relative stability of the unemployment rate. Despite some lingering headwinds due to the COVID-19 Pandemic, overall, the North Texas region has fared better than the nation as a whole. Relative low taxes, housing and energy costs make the area attractive to business, with the additional enticement that Texas has no state personal income tax.

As it is widely recognized, revenue sources for municipalities are primarily derived from Ad-Valorem (Property), sales and use taxes. Combined, property and sales tax funded approximately 80.6% of the General Fund maintenance and operation expenditures for Fiscal Year 2021. Sales tax revenue is the largest source of income for the Town of Pantego. The Town of Pantego and the PEDC are committed to the support and growth of the local economy. Rich with an eclectic mix of small businesses and national retailers, the Town and PEDC seek new investments and redevelopment that build on the abundant strengths already present in the community. To assist in this effort, PEDC continues the use of several valuable business assistance tools, such as economic incentives and small business grants.

In July 2014, both PEDC and the Town Council unanimously voted to officially join the Arlington Chamber of Commerce. The investment in becoming part of the Chamber's President Advisory Council continues to provide significant new resources to Pantego's businesses. The Chamber has expanded its

marketing and communications tools to further elevate the Pantego business community and deliver unique services for businesses to access new customers, capital and continuing education. These resources continue to enhance the Town's proactive visionary attitude toward business development, retention and quality of life and its mission on building an economically sustainable community.

BUDGETING PROCESS

State Law requires that an operating budget be adopted prior to the first day of the fiscal year beginning October 1st. The Town's budget process is a six month cycle, which begins in early April and ends in late September. Departments submit budget proposals by early May and during the months of May and June the City Manager and the Finance Director develop the recommended budget based on the directives received from the Council.

The Town of Pantego uses a program-base budgeting process. Each budgeting unit/department is given a target "baseline" funding level based upon the previous year's funding level. With a few exceptions, no capital assets, wages and benefits, or one-time packages are included in the baseline funding. Any funding request that represents new expenditures and programs, or that is in excess of baseline funding, must be submitted as a separate request or "package." These packages may be either a new or restoration request of resources, depending upon the budgeting unit's funding target.

The budget revenue projections for the new fiscal year begin early in the current fiscal year. The projections are made by the departments responsible for the revenues with help from the Finance Director. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff members. Although revenue projections are prepared early in the budget process, the budget revenue analysis continues with departmental budget development and extends until the budget is adopted based upon any new information. Given revenue projections and baseline funding requirements, budget funding changes are made according to necessity and priority. A total recommended funding level is determined and is weighed against available resources.

Prior to August, the City Manager submits to the Council a proposed budget of expenditures and the means to finance them for the next year. The Council holds workshop meetings and public hearings on the proposed budget to receive citizen feedback and make final determinations about the eventual adopted budget. Prior to September 30th, the budget is legally enacted through the favorable passage of an appropriation ordinance. The budget may be amended during the year only after complying with the notice procedure called for adopting of the budget.

The City Manager is authorized to make line-item and departmental budget adjustments during the year in order to avoid over-expenditures of particular line items. Adjustments require no further Council action if the total appropriation for each fund as set forth in the adopted budget is not exceeded. Expenditures in excess of the adopted appropriations for each fund require budget amendments in accordance with Town Policy. Budget maintenance is a year-round activity of divisions/departments and the Finance Director.

Spending control mechanisms during the year include monthly review of expenditures and financial reports to Town Council. Finally, program goals, objectives and measures are evaluated during the budget implementation to determine effectiveness of program activities and levels of appropriate funding for subsequent years.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Pantego for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. This award recognizes conformance with the highest standards for preparation of state and local government financial reports. A Certificate of Achievement is valid for a period of one year only. This was the seventh year for which the Town of Pantego received this prestigious award. We believe our current Annual Comprehensive Financial Report conforms to the Certificate of Achievement Program requirements and consequently we will be submitting to the GFOA to determine its eligibility.

The preparation of this report could not be accomplished on a timely basis without the efficient and dedicated endeavors of the entire Town staff. We would like to express our sincere appreciation to all employees who contributed to the preparation. We would also like to thank the Mayor and Town Council for their support in planning and conducting the financial operations of the Town in a responsible manner.

Respectfully submitted,

Joe Ashton
City Manager

Sean Smith
Finance Director

TOWN OF PANTEGO, TEXAS
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2021

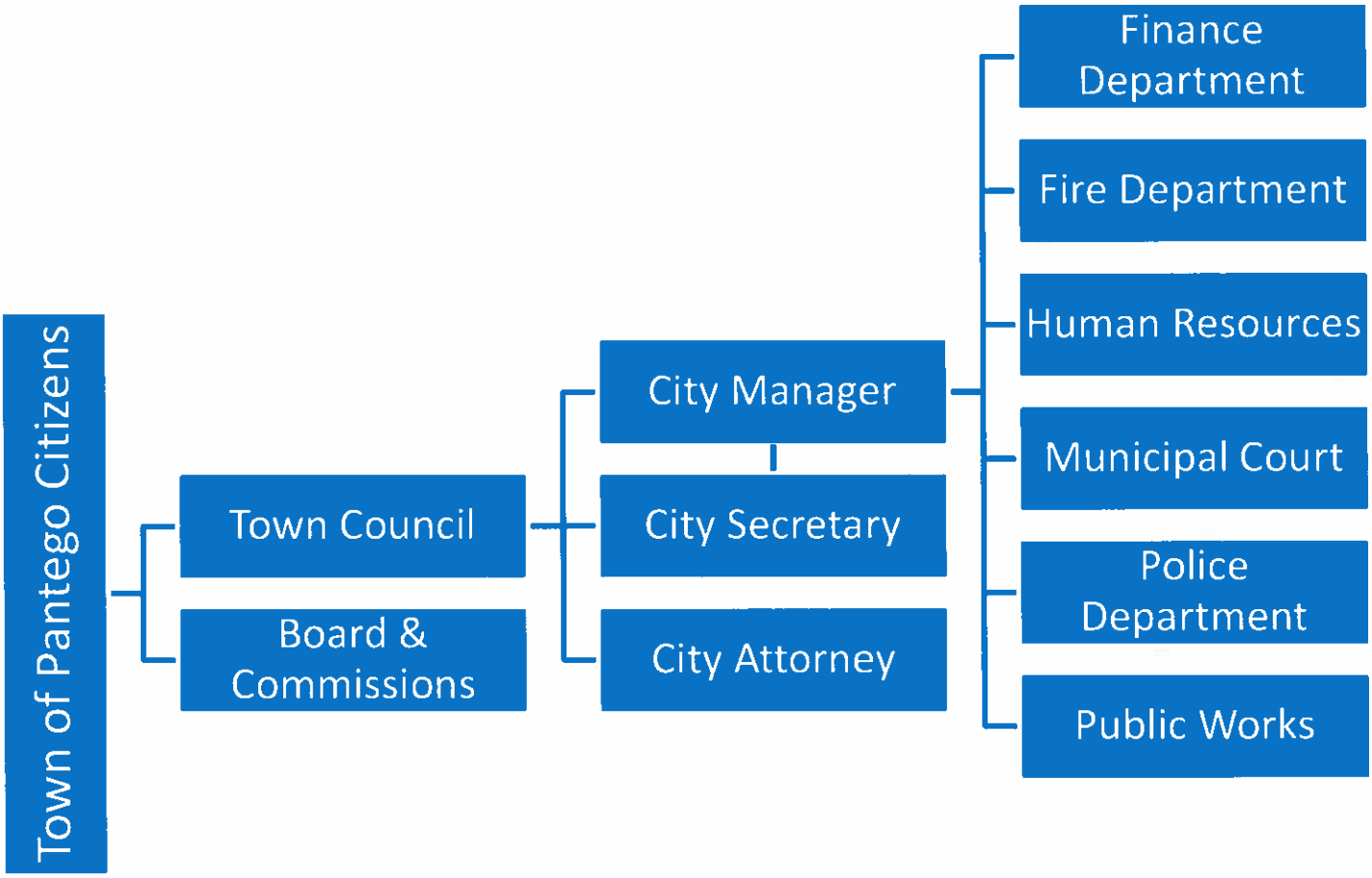
GOVERNING BODY
Elected Officials

Mayor	Russell Brewster
Councilmember/Mayor Pro-Tem	Fred Adair
Councilmember	(vacant until FY'22)
Councilmember	Jeff Brown
Councilmember	Mike Duncan
Councilmember	Don Funderlic

ADMINISTRATION
City Officials

City Manager	Joe Ashton
City Secretary	Kathryn Roberson
Finance Director	Sean Smith
Public Works Director	Kyle Sugg
Chief of Police	Jon Coulter
Fire Chief	Randy Fulton
Municipal Court Administrator	Thressa Householder
Legal Counsel	Taylor, Olson, Adkins, Sralla & Elam, LLP

TOWN OF PANTEGO


Town of Pantego Citizens
Town Council
Board & Commissions
City Manager
City Secretary
City Attorney
Finance Department
Fire Department
Human Resources
Municipal Court
Police Department
Public Works

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Pantego
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO

Financial Section

This page is left blank intentionally.

RUTLEDGE CRAIN & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
3214 W Park Row, Suite E
Pantego, Texas 76013

INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Pantego, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Pantego, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Pantego, Texas, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information on page 66, and Texas Municipal Retirement System pension and other post employment benefit information on pages 67-69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the method of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Metro (817) 265-9989
Members
American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Pantego, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Rutledge Crain & Company, P.C.

March 14, 2022

Management's Discussion and Analysis

This page is left blank intentionally.

This section of the Town of Pantego (the "Town") annual financial report presents our discussion of the Town's financial performance during the fiscal year ended September 30, 2021. The management's discussion and analysis is supplemental to, and should be considered, along with the Town's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflow of resources of the Town of Pantego exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by $11,404,951 (net position) compared to $10,644,896 for the prior year. Of this amount, $2,303,269 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.

- The Town's total net position increased by $760,055. The Town's governmental activities net position increased by $407,912 and the business-type activities net position increased by $352,143.

- As of the close of the current fiscal year, the Town of Pantego's governmental funds reported combined ending fund balances of $5,692,168 which is an increase of $433,110 from the prior year.

- As of the close of the current fiscal year, unassigned fund balance for the general fund was $1,868,730 which is 166 days or 45.5% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements - Government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. The statement of net position presents information on all the Town's assets, deferred resource outflows, liabilities, and deferred resource inflows, with the difference between them reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing related to cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave).

In the Statement of Net Position and the Statement of Activities we divide the Town into two (2) kinds of activities:

- *Governmental Activities*: Most of the Town's basic services are reported here, including police, fire, street maintenance, municipal court and general administration. Property tax, sales tax, charges for services, franchise fees, and fines and forfeitures provide the majority of the funding for these activities.

- *Business-type Activities*: The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water and sewer system are reported here.

The government-wide financial statements include not only the Town itself (known as the primary government), but also a legally separate Economic Development Corporation for which the Town is financially accountable. The Pantego Economic Development Corporation (P.E.D.C.) accounts for the local sales tax used to stimulate the local economy, development, and redevelopment. Financial information for this component unit is reported separately from the financial information presented for the primary government. Additional information on the component unit can be found in Note 1 in the notes to the basic financial statements.

The government-wide financial statements can be found in Exhibits A-1 and A-2 of this report.

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds – not the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law or bond covenants. The Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near term inflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the 2019 CO Capital Projects Fund which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts annual appropriated budgets for the general fund, special revenue funds, and debt service funds. Project length budgets are adopted for the capital projects funds. A budgetary comparison schedule has been provided for all annually budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits A-3 through A-6 of this report.

Proprietary Funds – Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Services for which the Town charges customers a fee are generally reported in proprietary funds. The Town uses an enterprise fund, the Water and Sewer Fund to account for its operations. The proprietary fund financial statements provide information on the Town's utility (water and sewer) system, which is considered to be a major fund of the Town. The basic proprietary fund financial statements can be found on Exhibits A-7 through A-9 of this report.

Notes to the Basic Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the basic financial statements.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress funding its obligation to provide pension and OPEB benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by $11,404,951 as of September 30, 2021. Below is a summary of the Town's Statement of Net Position.

CONDENSED STATEMENT OF NET POSITION
At September 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	$7,027,592	$ 6,705,940	$ 1,676,598	$ 1,404,032	$ 8,704,190	$ 8,109,972
Capital assets	5,610,138	6,158,575	2,804,844	2,724,120	8,414,982	8,882,695
Total assets	12,637,730	12,864,515	4,481,442	4,128,152	17,119,172	16,992,667
Deferred outflow of resources	709,895	1,036,744	173,456	184,569	883,351	1,221,313
Long-term liabilities	4,131,363	4,594,927	294,696	292,189	4,426,059	4,887,116
Other liabilities	901,174	1,043,840	160,184	160,823	1,061,358	1,204,663
Total liabilities	5,032,537	5,638,767	454,880	453,012	5,487,417	6,091,779
Deferred inflow of resources	897,975	1,253,291	212,180	224,014	1,110,155	1,477,305
Net Position:						
Net investment in capital assets	4,781,793	5,494,778	2,804,844	2,724,120	7,586,637	8,218,898
Restricted	1,515,045	1,383,409	-	-	1,515,045	1,383,409
Unrestricted	1,120,275	131,014	1,182,994	911,575	2,303,269	1,042,589
Total net position	$7,417,113	$ 7,009,201	$ 3,987,838	$ 3,635,695	$11,404,951	$ 10,644,896

The largest portion of the Town's net position $7,586,637 or 67% reflects its net investment in capital assets (e.g., land, buildings, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The Town uses these assets to provide service to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position $1,515,045 or 13% represents resources that are subject to external restriction on how they may have been used. The remaining balance of unrestricted net position $2,303,269 or 20% may be used to meet the government's ongoing obligation to citizens and creditors.

At the end of the fiscal year, the Town was able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The following table provides a summary of the Town's operations for the year ended September 30, 2021.

CHANGES IN NET POSITION
Fiscal Year Ended September 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	$ 786,724	$ 878,361	$ 1,416,976	$ 1,434,237	$ 2,203,700	$ 2,312,598
Operating grants and contributions	32,994	147,161	-	-	32,994	147,161
Capital grants and contributions	312,885	2,659	-	-	312,885	2,659
General Revenues:					-	-
Taxes:					-	-
Property taxes	1,532,378	1,474,402	-	-	1,532,378	1,474,402
Sales tax	2,122,672	1,968,091	-	-	2,122,672	1,968,091
Franchise tax	263,064	283,723	-	-	263,064	283,723
Investment earnings	4,569	65,842	1,157	10,191	5,726	76,033
Other	55,442	54,709	3,370	470	58,812	55,179
Total Revenues	5,110,728	4,874,948	1,421,503	1,444,898	6,532,231	6,319,846
Expenses						
General and administrative	575,663	585,752			575,663	585,752
Public Works	732,024	590,635			732,024	590,635
Community Development	29,432	140,109			29,432	140,109
Police	1,484,524	1,559,711			1,484,524	1,559,711
Fire	1,331,682	1,404,650			1,331,682	1,404,650
Municipal Court	336,347	383,879			336,347	383,879
Other	10,899	9,152			10,899	9,152
Interest and fiscal agent charges	74,758	88,934			74,758	88,934
Water and sewer	-	-	1,196,847	1,412,540	1,196,847	1,412,540
Total Expenses	4,575,329	4,762,822	1,196,847	1,412,540	5,772,176	6,175,362
Increase (decrease in net position before transfers)	535,399	112,126	224,656	32,358	760,055	144,484
Transfers	(127,487)	(164,176)	127,487	164,176	-	-
Increase (decrease) in net position	407,912	(52,050)	352,143	196,534	760,055	144,484
Net position - beginning	7,009,201	7,061,251	3,635,695	3,439,161	10,644,896	10,500,412
Prior Period Adjustment					-	-
Net position - ending	$ 7,417,113	$ 7,009,201	$ 3,987,838	$ 3,635,695	$11,404,951	$ 10,644,896

Governmental Activities – Governmental activities increased the Town's net position by $407,912 in the current year compared to a $52,050 decrease in the prior year. Total governmental activities revenues increased by $235,780 (4.8%) primarily due to an increase in Sales Tax, and Property Tax. Expenditures for the 2021 Fiscal Year decreased by $203,513 (4.3%) over the prior fiscal year.

Business-type Activities – Business-type activities increased the Town's net position by $352,143 in the current year compared to an increase in net position of $196,534 in the prior year. Total revenues decreased by $23,395 (1.6%). Expenses decreased $215,693 (15.3%) over the prior fiscal year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds – The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the year.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $5,692,168. Approximately 32.8% or $1,868,730 of this total constitutes unassigned fund balance, which is available for spending at the government's discretion. Fund balance of $5,356 is considered non-spendable because it has been used for prepaid items and inventory. A total of $3,818,082, approximately 67%, is restricted, committed, and assigned due to external limitations on its use, such as by debt covenants, legal, Town Council restrictions, or intention of grantors, donors, or trustees.

The General fund is the chief operating fund of the Town. At the end of the fiscal year, unassigned fund balance of the General fund was $1,868,730. It is useful to compare unassigned fund balance to total fund expenditures as a measure of liquidity. Unassigned fund balance represents approximately 45.5% or 166 days of total general fund expenditures. The ending fund balance in the general fund increased by $266,753 compared to a $377,383 decrease in the prior year, primarily due to increased Revenues in Sales Tax and Property Tax.

The ending balance in the 2019 CO Capital Projects Fund decreased by $267,821 due to the commencement of the projects funded by this fund.

Proprietary Funds – The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Water and Sewer fund, which combined comprises the Water and Sewer Operating, Construction and Water Infrastructure funds, at the end of the fiscal year amounted to $1,182,994. The Water and Sewer fund is considered a major fund of the Town. Other factors concerning finances of this fund are addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights – General Fund revenues were above Budgeted projections by $302,379 and expenditures were $138,379 less than the Budgeted amount.

The following schedule presents a summary of General Fund revenues and expenditures for the fiscal year ended September 30, 2021, and the amount and percentage increase and decrease in relation to the prior fiscal year.

Summary of General Fund Revenues

Revenues	Fiscal Year 2021	Percent of Total	Increase (Decrease) from prior year	Percentage Increase/ (Decrease)
Property tax	$ 1,351,279	32.0%	$ 35,289	2.7%
Sales tax	1,771,100	41.9%	129,364	7.9%
Franchise tax	272,956	6.5%	(21,033)	-7.2%
Fines and forfeitures	544,376	12.9%	(12,986)	-2.3%
Licenses and permits	63,406	1.5%	19,386	44.0%
Ambulance service	101,275	2.4%	(39)	0.0%
Intergovernmental	32,994	0.8%	(256,079)	-88.6%
Charges for services	18,678	0.4%	16,508	760.7%
Contributions and donations	-	0.0%	(3,200)	-100.0%
Investment earnings	748	0.0%	(19,747)	-96.4%
Miscellaneous	70,827	1.7%	2,051	3.0%
Total	$ 4,227,639	100.0%	$ (110,486)	-2.5%

Overall, General Fund revenues decreased by $110,486, or (2.5%) over the prior fiscal year. This is largely due to a grant that was received in FY 2020 for the purchase of a new Fire Truck.

Summary of General Fund Expenditures

Expenditures	Fiscal Year 2021	Percent of Total	Increase (Decrease) from prior year	Percentage Increase/ (Decrease)
General and administrative	$ 522,747	12.7%	$ (45,204)	-8.0%
Public Works	260,830	6.4%	21,605	9.0%
Community development	7,403	0.2%	(133,691)	-94.8%
Police	1,648,215	40.2%	(60,205)	-3.5%
Fire	1,307,860	31.9%	(8,266)	-0.6%
Municipal Court	346,102	8.4%	(45,861)	-11.7%
Community Relations	10,162	0.2%	1,629	19.1%
Capital Outlay	-	0.0%	-	0.0%
Total	$ 4,103,319	100.0%	$ (269,993)	-6.2%

General Fund expenditures decreased by $269,993, or (6.2%) compared to the prior year. The decrease is largely due to a decrease in personnel through attrition during a large portion of the year.

CAPITAL ASSETS

The Town's net investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to $7,586,637. Major capital asset purchases and projects completed during the fiscal year included the following:

Governmental activities:

- Various Street Improvements $31,452
- A New Police Vehicles $62,412.
- Garner Smith Barry Drainage Project $268,289

Business-type activities:

- The commencement of the Pioneer Road Waterline Improvement Project $215,268
- The commencement of the Country Club Sanitary Sewer Project $54,653.

CAPITAL ASSETS
(NET OF DEPRECIATION)
At Year End

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	$ 211,263	$ 211,263	$ 61,971	$ 61,971	$ 273,234	$ 273,234
Construction in progress	24,365	210,458	502,043	220,944	526,408	431,402
Buildings	704,079	763,685	-	-	704,079	763,685
Improvements	1,218,397	1,110,242	2,240,830	2,441,205	3,459,227	3,551,447
Machinery and equipment	1,265,939	1,468,139	-	-	1,265,939	1,468,139
Infrastructure	2,186,095	2,394,787	-	-	2,186,095	2,394,787
Total	$5,610,138	$ 6,158,574	$ 2,804,844	$ 2,724,120	$8,414,982	$ 8,882,694

Additional information on the Town's capital assets can be found in Note III.F. in the notes to the basic financial statements.

LONG TERM DEBT

At the end of the current fiscal year, the Town had a total of $2,622,291 in outstanding bonded debt. This debt is secured by a combination of property taxes and a limited pledge of other revenues. This debt was issued for major infrastructure improvements.

OUTSTANDING DEBT
At Year End

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Certificates of Obligation	$ 2,565,000	$ 2,665,000	$ -	$ -	$ 2,565,000	$ 2,665,000
Premium	82,714	87,440	-	-	82,714	87,440
Discount	(25,423)	(26,876)	-	-	(25,423)	(26,876)
Capital Lease Obligations	-	-	-	-	-	-
Total	$ 2,622,291	$ 2,725,564	$ -	$ -	$ 2,622,291	$ 2,725,564

Additional information on the Town's outstanding debt can be found in Note III.H. in the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Although the nationwide economic forecast for the future continues to be uncertain, the Town continues to remain in a relatively stable position. Overall, despite the ongoing COVID-19 Pandemic, the Town experienced an increase of 7.9% in sales tax revenue compared to the prior fiscal year. Other areas did experience minor decreases, but the Town was very conservative in comprising its budget for the coming fiscal year. The Town's efforts towards economic development, attracting new retail businesses and redeveloping existing properties, continue to be a major focus now and for years to come.

The Town's property tax rate remained unchanged at $0.42 per $100 taxable value for fiscal year 2022. In fiscal year 2022, again, due to uncertainty and conservative budgeting, General Fund revenues were budgeted to increase 5% compared to fiscal year 2021 revenues. Expenditures for fiscal year 2021were budgeted to increase 4% versus Fiscal Year 2021 expenditures.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional information may be obtained by contacting the Town of Pantego, Attn: Finance Department, 1614 South Bowen Rd, Pantego, Texas 76013. This information can also be accessed on the Town of Pantego's website at www.townofpantego.com.

Basic Financial Statements

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS:				
Cash and Cash Equivalents	$ 5,697,004	$ 1,104,771	$ 6,801,775	$ 943,553
Receivables, net:				
Property tax	60,924	--	60,924	--
Sales tax	379,159	--	379,159	126,386
Franchise tax	148,840	--	148,840	--
Fines receivable	645,958	--	645,958	--
Accounts	69,508	389,560	459,068	--
Other	18,335	--	18,335	--
Due from other governments	2,508	--	2,508	--
Loans receivable	--	--	--	39,175
Inventory	5,224	60,411	65,635	7,370
Prepaid items	132	--	132	--
Restricted Assets:				
Cash and cash equivalents	--	121,856	121,856	--
Capital Assets (net of accumulated depreciation):				
Land	211,263	61,971	273,234	--
Construction in progress	24,365	502,043	526,408	--
Buildings	704,079	--	704,079	--
Improvements other than buildings	1,218,397	2,240,830	3,459,227	--
Machinery and equipment	1,265,939	--	1,265,939	--
Infrastructure	2,186,095	--	2,186,095	264,540
Total Assets	12,637,730	4,481,442	17,119,172	1,381,024
DEFERRED OUTFLOWS OF RESOURCES:				
Employee pensions	704,441	172,821	877,262	--
Other post empoyment benefits	5,454	635	6,089	--
Total Outflows of Resources	709,895	173,456	883,351	--
LIABILITIES:				
Accounts payable	190,486	38,328	228,814	22,977
Accrued payroll liabilities	102,104	--	102,104	--
Other liabilities	467,136	--	467,136	--
Accrued interest payable	20,197	--	20,197	1,197
Customer deposits payable	--	121,856	121,856	--
Due to other governments	121,251	--	121,251	--
Noncurrent Liabilities-				
Due within one year	324,497	--	324,497	190,000
Due in more than one year	3,806,866	294,696	4,101,562	--
Total Liabilities	5,032,537	454,880	5,487,417	214,174
DEFERRED INFLOWS OF RESOURCES:				
Employee pensions	880,638	210,163	1,090,801	--
Other post employment benefits	17,337	2,017	19,354	--
Total Inflows of Resources	897,975	212,180	1,110,155	--
NET POSITION:				
Net Investment in Capital Assets	4,781,793	2,804,844	7,586,637	74,540
Restricted For:				
Debt Service	17,709	--	17,709	10,879
Capital Projects	1,497,336	--	1,497,336	--
Unrestricted	1,120,275	1,182,994	2,303,269	1,081,431
Total Net Position	$ 7,417,113	$ 3,987,838	$ 11,404,951	$ 1,166,850

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental Activities:				
General government	$ 575,663	$ --	$ --	$ 312,086
Public works	732,024	--	--	--
Community development	29,432	70,402	--	--
Police	1,484,524	553,949	1,480	799
Fire	1,331,682	132,719	31,514	--
Municipal court	336,347	29,654	--	--
Community relations	10,899	--	--	--
Interest and fiscal agent charges	74,758	--	--	--
Total Governmental Activities	4,575,329	786,724	32,994	312,885
Business-type Activities:				
Water and Sewer	1,196,847	1,416,976	--	--
Total Business-type Activities	1,196,847	1,416,976	--	--
Total Primary Government	$ 5,772,176	$ 2,203,700	$ 32,994	$ 312,885
COMPONENT UNITS:				
Pantego Economic Development Corporation	$ 541,362	$ --	$ --	$ --
Total Component Units	$ 541,362	$ --	$ --	$ --

General Revenues:
Taxes:
Property Taxes
Sales Taxes
Franchise Taxes
Unrestricted Investment Earnings
Miscellaneous Revenue
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position - Beginning
Prior Period Adjustment
Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	Component Units
$ (263,577)		$ (263,577)	
(732,024)		(732,024)	
40,970		40,970	
(928,296)		(928,296)	
(1,167,449)		(1,167,449)	
(306,693)		(306,693)	
(10,899)		(10,899)	
(74,758)		(74,758)	
(3,442,726)		(3,442,726)	
--	$ 220,129	220,129	
--	220,129	220,129	
(3,442,726)	220,129	(3,222,597)	
			$ (541,362)
			(541,362)
1,532,378	--	1,532,378	--
2,122,672	--	2,122,672	703,143
263,064	--	263,064	--
4,569	1,157	5,726	1,632
55,442	3,370	58,812	435
(127,487)	127,487	--	--
3,850,638	132,014	3,982,652	705,210
407,912	352,143	760,055	163,848
7,009,201	3,635,695	10,644,896	1,081,817
--	--	--	(78,815)
$ 7,417,113	$ 3,987,838	$ 11,404,951	$ 1,166,850

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

ASSETS:	General Fund	2019 CO Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	$ 1,849,938	$ 1,880,089	$ 1,966,977	$ 5,697,004
Receivables, net:				
Property tax	47,903	--	13,021	60,924
Sales tax	315,966	--	63,193	379,159
Franchise tax	148,840	--	--	148,840
Fines	645,958	--	--	645,958
Accounts	69,508	--	--	69,508
Other	18,335	--	--	18,335
Due from other governments	2,508	--	--	2,508
Inventory	5,224	--	--	5,224
Prepaid assets	132	--	--	132
Total Assets	$ 3,104,312	$ 1,880,089	$ 2,043,191	$ 7,027,592
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 103,783	$ 86,143	$ 560	$ 190,486
Accrued payroll liabilities	102,104	--	--	102,104
Due to other governments	121,251	--	--	121,251
Other liabilities	461,344	--	5,792	467,136
Total Liabilities:	788,482	86,143	6,352	880,977
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	441,744	--	12,703	454,447
Total Deferred Inflows of Resources	441,744	--	12,703	454,447
FUND BALANCES				
Nonspendable:				
Inventory	5,224	--	--	5,224
Prepaid items	132	--	--	132
Restricted:				
Debt service	--	--	5,005	5,005
Municipal court	--	--	136,025	136,025
Street improvements	--	--	359,194	359,194
Animal control services	--	--	73,664	73,664
Other purposes	--	1,793,946	858,893	2,652,839
Committed				
Capital projects	--	--	591,355	591,355
Assigned				
Unassigned	1,868,730	--	--	1,868,730
Total fund balances	1,874,086	1,793,946	2,024,136	5,692,168
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,104,312	$ 1,880,089	$ 2,043,191	$ 7,027,592

The accompanying notes are an integral part of this statement.

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Total fund balances - governmental funds balance sheet	$	5,692,168
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:		
Capital assets used in governmental activities are not reported in the funds.		5,610,138
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.		56,131
Payables for bond principal which are not due in the current period are not reported in the funds.		(2,565,000)
Payables for bond interest which are not due in the current period are not reported in the funds.		(20,197)
Payables for compensated absences which are not due in the current period are not reported in the funds.		(221,224)
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.		194,830
Franchise taxes receivable unavailable to pay for current period expenditures are not accrued in the funds.		133,978
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.		45,523
Recognition of the Town's net pension liability is not reported in the funds.		(1,123,065)
Deferred Resource Inflows related to the pension plan are not reported in the funds.		(856,653)
Deferred Resource Outflows related to the pension plan are not reported in the funds.		704,441
Bond premiums/discounts are amortized in the SNA but not in the funds.		(57,291)
Recognition of the Town's OPEB liability is not reported in the funds.		(164,783)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.		(17,337)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.		5,454
Net position of governmental activities - Statement of Net Position	$	7,417,113

The accompanying notes are an integral part of this statement.

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Fund	2019 CO Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenue:				
Taxes:				
Property	$ 1,351,279	$ --	$ 179,550	$ 1.530,829
Sales	1,771,100	--	351,572	2,122,672
Franchise	272,956	--	--	272,956
Fines and forfeitures	544,376	--	29,654	574,030
Licenses and Permits	63,406	--	--	63,406
Ambulance service	101,275	--	--	101,275
Intergovernmental	32,994	--	312,086	345,080
Charges for services	18,678	--	--	18,678
Investment Earnings	748	2,099	1,722	4,569
Miscellaneous	70,827	--	--	70,827
Total revenues	4,227,639	2,099	874,584	5,104,322
Expenditures:				
Current:				
General and administrative	522,747	--	1,500	524,247
Public works	260,830	--	146,172	407,002
Community development	7,403	--	--	7,403
Police	1,648,215	--	--	1,648,215
Fire	1,307,860	--	--	1,307,860
Municipal Court	346,102	--	38,404	384,506
Community relations	10,162	--	737	10,899
Capital outlay	--	--	74,742	74,742
Debt Service:				
Principal	--	--	100,000	100,000
Interest and Fiscal Charges	--	--	78,450	78,450
Fiscal Agent's Fees	--	--	400	400
Total Expenditures	4,103,319	--	440,405	4,543,724
Excess (Deficiency) of Revenues Over (Under) Expenditures	124,320	2,099	434,179	560,598
Other Financing Sources (Uses):				
Transfers In	142,433	--	216,096	358,529
Transfers Out	--	(269,920)	(216,096)	(486,016)
Total Other Financing Sources (Uses)	142,433	(269,920)	--	(127,487)
Net Change in Fund Balances	266,753	(267,821)	434,179	433,111
Fund Balances - Beginning	1,607,333	2,061,767	1,589,957	5,259,057
Fund Balances - Ending	$ 1,874,086	$ 1,793,946	$ 2,024,136	$ 5,692,168

The accompanying notes are an integral part of this statement.

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances - total governmental funds	$	433,111
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:		
Capital outlays are not reported as expenses in the SOA.		184,049
The depreciation of capital assets used in governmental activities is not reported in the funds.		(692,892)
Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds.		(39,595)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.		1,549
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.		100,000
(Increase) decrease in accrued interest from beginning of period to end of period.		4,092
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.		(25,534)
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.		(2,847)
Certain ambulance receivables are deferred in the funds. This is the change in these amounts this year.		17,596
Revenues in the SOA for franchise taxes not providing current financial resources are not reported in the funds		(9,892)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.		489,101
OPEB expense relating to GASB 75 is recorded in the SOA but not in the funds.		(50,825)
Change in net position of governmental activities - Statement of Activities	$	407,912

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

STATEMENT OF NET POSITION
ENTERPRISE FUNDS
SEPTEMBER 30, 2021

	Enterprise Fund Water and Sewer Fund
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 1,104,771
Receivables (net of allowances for uncollectibles):	
Accounts	389,560
Inventories	60,411
Restricted assets	
Cash and Cash Equivalents	121,856
Total Current Assets	1,676,598
Noncurrent Assets:	
Land	61,971
Construction in Progress	502,043
Improvements Other Than Buildings	5,805,106
Less Accumulated Depreciation	(3,564,276)
Total Noncurrent Assets	2,804,844
Total Assets	4,481,442
DEFERRED OUTFLOWS OF RESOURCES:	
Employee pensions	172,821
Other post empoyment benefits	635
Total Outflows of Resources	173,456
LIABILITIES:	
Current Liabilities:	
Accounts payable	38,328
Current Liabilities Payable from Restricted Assets:	
Customer Deposits	121,856
Total Current Liabilities	160,184
Noncurrent Liabilities:	
Net Pension Liability	275,522
Net Opeb Liability	19,174
Total Noncurrent Liabilities	294,696
Total Liabilities	454,880
DEFERRED INFLOWS OF RESOURCES:	
Employee pensions	210,163
Other post employment benefits	2,017
Total Inflows of Resources	212,180
NET POSITION:	
Net Investment in Capital Assets	2,804,844
Unrestricted	1,182,994
Total Net Position	$ 3,987,838

The accompanying notes are an integral part of this statement.

TOWN OF PANTEGO, TEXAS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Fund Water and Sewer Fund
OPERATING REVENUES:	
Charges for Sales and Services:	
Water sales	$ 570,666
Sewer charges	490,702
Groundwater conversation fees	17,506
Infrastructure improvement fees	313,657
Late payment charges	17,255
Miscellaneous	7,190
Total Operating Revenues	1,416,976
OPERATING EXPENSES:	
Personnel	427,013
Utilities	99,686
Maintenance and repairs	94,191
Franchise fees	46,498
Other	25,908
Sewage treatment - other governments	272,516
Depreciation	231,035
Total Operating Expenses	1,196,847
Operating Income	220,129
NON-OPERATING REVENUES (EXPENSES):	
Investment earnings	1,157
Other income	3,370
Total Non-operating Revenues (Expenses)	4,527
Income before Transfers	224,656
Transfers In	269,920
Transfers Out	(142,433)
Change in Net Position	352,143
Total Net Position - Beginning	3,635,695
Total Net Position - Ending	$ 3,987,838

The accompanying notes are an integral part of this statement.

EXHIBIT A-9

TOWN OF PANTEGO, TEXAS

STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Water and Sewer Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	$ 1,439,540
Cash Payments to Employees for Services	(425,227)
Cash Payments to Other Suppliers for Goods and Services	(582,024)
Net Cash Provided (Used) by Operating Activities	432,289
Cash Flows from Non-capital Financing Activities:	
Transfers From (To) Other Funds	127,487
Net Cash Provided (Used) by Non-capital Financing Activities	127,487
Cash Flows from Capital and Related Financing Activities:	
Acquisition or Construction of Capital Assets	(311,759)
Net Cash Provided (Used) for Capital & Related Financing Activities	(311,759)
Cash Flows from Investing Activities:	
Interest and Dividends on Investments	1,157
Net Cash Provided (Used) for Investing Activities	1,157
Net Increase (Decrease) in Cash and Cash Equivalents	249,174
Cash and Cash Equivalents at Beginning of Year	977,453
Cash and Cash Equivalents at End of Year	$ 1,226,627
Reported on Statement of Net Position:	
Unrestricted cash	$ 1,104,771
Restricted cash	121,856
	$ 1,226,627
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	$ 220,129
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	231,035
Other income	3,370
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	8,568
Decrease (Increase) in Other Receivables	9,661
Decrease (Increase) in Inventories	(41,621)
Decrease (Increase) in Deffered Resource Outflows Pension	8,630
Decrease (Increase) in Deffered Resource Outflows OPEB	2,483
Increase (Decrease) in Accounts Payable	(1,604)
Increase (Decrease) in Customer Deposits	965
Increase (Decrease) in Net Pension Liability	(1,030)
Increase (Decrease) in Net OPEB Liability	3,537
Increase (Decrease) in Deferred Resource Inflows Pension	(11,729)
Increase (Decrease) in Deferred Resource Inflows OPEB	(105)
Total Adjustments	212,160
Net Cash Provided (Used) by Operating Activities	$ 432,289

The accompanying notes are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Pantego, Texas (the "Town") was incorporated January 5, 1952, and operates under a Council-Manager form of government providing the following services as a duly incorporated general law city as authorized by the general laws of the State of Texas and subsequent Town ordinances: public safety (police, fire and ambulance), streets and bridges, sanitation, water and sewer, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Town of Pantego, Texas, conform to generally accepted accounting principles issued by the Governmental Accounting Standards Board, which is the recognized financial accounting standard setting body of governmental entities. The notes to the financial statements are an integral part of the Town's financial statements.

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the Town and its component units, entities for which the Town is considered financially accountable or other organizations whose nature and significant relationship with the Town are such that exclusion would cause the Town's financial statements to be misleading or incomplete. The Town is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial burden on the Town.

The financial statements include one discretely presented component unit which has a September 30th year-end. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Town.

Discretely Presented Component Unit

The Pantego Economic Development Corporation (PEDC) was created under the Development Corporation Act of 1979 and is governed by Section 4B of the Act. The PEDC is governed by a Board of Directors comprised of appointed members of Town Council and members appointed by the Town Council. Capital improvement projects undertaken by the PEDC are for the benefit of the Town. The PEDC may not issue debt without approval of the voters of the Town and the Town Council. The Town must approve changes to the PEDC's articles of incorporation, may unilaterally terminate the PEDC and has residual interest in the net position of the PEDC The PEDC activities are reported herein as the PEDC Sales Tax Revenue Special Revenue Fund, PEDC Debt Service Fund, and PEDC Operating Fund. The PEDC is reported as a discretely presented component unit in the statement of net positions and statement of activities.

Flow of Revenue – PEDC – Sales tax is the significant source of revenue for PEDC Sales tax receipts are initially recorded in the PEDC Sales Tax Revenue fund as sales tax revenue. Transfers are used to transfer cash to the PEDC Debt Service fund as needed to maintain a required reserve and to make debt service payments as they become due. Transfers are also used to transfer cash in excess of debt service needs to the PEDC Operating fund.

Governmental accounting standards require reasonable separation between the primary government and it's discretely presented component units, both in the financial statements and in the related notes. Because discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

B. Government-wide and Basic Financial Statements

The basic financial statements include both government-wide financial statements (based on the Town as a whole) and fund financial statements. The focus is on either the Town as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property, franchise, sales and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Street Improvement Fund* accounts for .25% (1/4 ¢) sales tax used for infrastructure maintenance and improvement.

The *2019 CO Capital Projects Fund* was created to account for expenditures to provide upgrades to the Water and Sewer infrastructure. The Certificates of Obligation are currently being serviced by ad valorem taxes and have therefore been treated as a governmental capital projects fund.

The Town reports the following major enterprise fund:

The *Water and Sewer Fund* is used to account for the provision of water and sewer services to residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, capital improvements, billing and collection.

Additionally, the Town reports the following fund types:

Special Revenue Funds account for specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Projects Funds account for resources to be used for the construction of capital assets, or for the acquisition of replacement equipment.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and wastewater fund and various other funds of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various funds concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, miscellaneous revenue and interest income.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first and then unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Outflows/Inflows, Fund Balance and Net Position

1. Cash and Cash Equivalents – The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments that are highly liquid with maturity within three months or less when purchased. Amounts invested in Tex-Pool public investment pools are considered cash and cash equivalents. Assets reported as cash and investments are considered cash and cash equivalents for the statement of cash flows.

2. Receivables and Payables – Interfund transactions result between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" line of the government wide statement of net position.

3. Unbilled Service – Utility operating revenues (water and sewer) are billed on monthly cycles. The Town records estimated revenues for services delivered during the fiscal year, which will be billed during the next fiscal year. Accounts receivable in the water and sewer fund includes $195,513 of earned but unbilled revenue.

4. Inventory and prepaid items – Inventories consist of expendable supplies held for consumption. The inventory of supplies are recorded under the purchase method. Under the purchase method the inventory is first recorded as an expense when purchased and then adjusted at the end of the year to reflect the value of inventory to date. Inventories, which are expensed as they are consumed, are stated at cost. In the General Fund, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the government wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Capital assets – Capital assets, which include land, buildings, improvements, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), purchased or acquired, are carried at historical cost or estimated historical cost if historical cost is not available. Donated capital assets , donated works of art and similar items, and any capital assets received in a service concession arrangement are reported at acquisition value, as of the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed.

   The Town defines capital assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Intangible assets with definite lives are recorded at cost and amortized over the useful lives. Intangible assets with indefinite lives are recorded at cost and no amortization is taken.

   Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

Buildings	5 – 50 years
Improvements other than buildings	3 – 30 years
Machinery, equipment and furniture	3 – 10 years
Water & sewer system infrastructure	5 – 50 years
Street and storm drainage infrastructure	10 – 40 years

   Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest accrued during the construction phase of capital assets of business-type activities is capitalized.

6. Compensated absences – It is the Town's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick benefits. No sick pay benefits are paid upon separation from service and therefore have not been accrued in the financial statements. All vacation pay benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and/or retirements.

7. Long-term Obligations – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed.

   In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Deferred outflows/inflows of resources – Deferred outflows and inflows of resources are reported in the statement of financial position as described below:

A *deferred outflow of resources* is a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The Town has one item that qualifies for reporting in this category:

Deferred outflow of resources for employee pensions – Reported in the government wide financial statement of net position, these deferred outflows resulting primarily from differences between projected and actual earnings on pension plan investments. These amounts will be amortized over a closed five year period. This deferred outflow results from pension plan contributions made after the measurement date of the net pension liability. The deferred outflow of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year.

A *deferred inflow of resources* is an acquisition of a government's net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The Town has two items that qualify for reporting in this category:

Deferred inflow of resources for unavailable (deferred) revenues – Reported only in the governmental funds balance sheet for unavailable revenues from property taxes, franchise taxes, ambulance services and municipal court fines and forfeitures under the modified accrual basis of accounting. These amounts are deferred and recognized as inflow of resources in the period that the amounts become available.

Deferred inflow of resources for employee pensions – Reported in the government wide financial statements of net position and in the statement of net position for proprietary funds. The employee pension related deferred inflow of resources will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

10. Fund Balance – Governmental Funds – Fund balance is divided into five classifications based primarily on the extent to which the Town is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form (such as prepaids and inventory) or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments imposed or is imposed by law through constitutional provisions or enabling legislation. Legal enforceability means that the Town can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed – The committed fund balance classifications includes amounts that can be used only for the specific purposed imposed by formal action, a resolution of Town ordinance, of the Town Council. Those committed amounts cannot be used for any other purpose unless Town Council removes or changes the specified use by taking the same formal action it employed to previously commit those amounts.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Town Council has the authority to assign amounts for specific purposes.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Town applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned

amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Minimum Fund Balance Policy – It is the goal of the Town that unassigned fund balance of the General Fund should be at least 90 days (24.66%) of General Fund annual expenditures. In order to adhere to the principles of matching current revenues with current expenditures and minimizing property taxes, the Town will take action to reduce the fund balance, as stated in the Town's current financial policy, if the unassigned fund balance grows beyond 120 days of expenditures. As of September 30, 2021 the General Fund had approximately 167 days or 45.7% of annual expenditures in the unassigned fund balance.

11) Net Position – Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

12) Management's Use of Estimates – The preparation of financial statements, in conformity with Generally Accepted Accounting Principles, requires management to make estimates and assumptions that affect the reported amounts of assets, deferred resource outflows, liabilities, deferred resource inflows, and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

13) Reclassifications – Certain accounts and funds in the prior fiscal year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

The Town follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Public hearings are conducted to obtain taxpayer comments.

2. Prior to October 1, the budget is legally enacted through passage of an ordinance.

3. The Town Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council. Therefore the fund level is the legal level of control.

4. Formal budgetary integration is employed as a management control device during the year. The legally adopted budgets for the General Fund, Court House Security Special Revenue Fund, Court Technology Special Revenue Fund, Shamburger Special Revenue Fund, and the Debt Service 2019 CO Fund are adopted on a basis consistent with generally accepted accounting principles.

5. Budgeted amounts are as originally adopted or as amended by the Town Council. During 2021, individual amendments were not material in relation to the original appropriations. Any budgeted amounts appropriated at fiscal year-end and not spent automatically lapse.

6. Capital Project funds, as presented, are not budgeted since project length financial plans usually extend into two or more fiscal years, making comparisons for a single year statement confusing.

B. Deficit fund equity

There were no fund deficits at September 30, 2021.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Cash Equivalents

Substantially all operating cash and investments are maintained in consolidated cash and investment accounts. Investment income related to consolidated investments is allocated to the individual funds monthly based on the funds' pro-rata share of total cash and investments. Cash and investments as of September 30, 2021, are classified in the statement of net position as cash and cash equivalents and restricted cash and cash equivalents. Cash and cash equivalents as of September 30, 2021 consist of the following:

At September 30, 2021, the Town had the following investments which are considered cash equivalents:

	Fair Value	Weighted Average Maturity (Days)
Investment Type		
TexPool	$5,163,774	45
Logic	$68,878	45
Cash	2,634,532	
Total cash and cash equivalents	$7,867,184	

Cash and cash equivalents are reported in the:

Statement of net position as follows:	
Governmental activities unrestricted	$5,697,004
Governmental activities restricted	--
Business-type activities unrestricted	1,104,771
Business-type activities restricted	121,856
Total Town	6,923,631
PEDC Discrete Component Unit	943,553
	$7,867,184

B. Deposits

State statutes authorize the Town's cash to be deposited in demand deposits, time deposits, or certificates of deposit, and require that all deposits be fully collateralized or insured. The depository bank places approved pledge securities for safekeeping and trust with the Town's agent bank in an amount sufficient to protect the Town's funds on at day-to-day basis. At year end, the carrying amount of the Town's cash on hand and deposits was $2,634,532. All of the bank balance of $2,798,808 was covered by federal deposit insurance and collateralized by the pledging financial institution with marketable securities held by an agent in the bank's name.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town's policy requires that all deposits with financial institutions must be collateralized to the extent not protected by the Federal Deposit Insurance Corporation ("FDIC") insurance. The PEDC deposits are secured by a separate pledge of securities and FDIC insurance. At September 30, 2021, the Town's deposits and those of the Pantego Economic Development Corporation were covered by FDIC insurance or by collateral held by the bank's agent in the Town's name.

Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Town to adopt, implement and publicize an investment policy. This policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities and (9) bid solicitation references for certificates of deposit. The Town's investment policy authorizes the Town to invest in obligations of the United States government and its agencies and instrumentalities, fully insured or collateralized certificates of deposit, repurchase agreements not to exceed 90 days to stated maturity, AAA-rated, SEC registered money market funds, AAA-rated Texas local government investment pools, and other interest bearing accounts at the Town's depository. During the year ended September 30, 2021, the Town did not own any types of securities other than those permitted by statute.

The Town invests idle fund in the Texas Local Government Investment Pools: TexPool, TexPool Prime, and Logic. These government investment pools operate in a manner consistent with the SEC's Rule 2A7 of the Investment Act of 1940. The Pools are required to maintain market value of its underlying investment portfolio within one half of one percent of the value of its shares.

Interest Rate Risk – Interest rate risk is the risk that changes in the market place will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In order to limit interest and market rate risk from changes in interest rates, the Town of Pantego's adopted Investment Policy sets the weighted average maturity (WAM) limit to one (1) year for operating funds and two (2) years for non-operating funds.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized rating agency. A primary stated objective of the Town of Pantego's adopted Investment Policy is the safety of principal and avoidance of principal loss. The Town controls risk by limiting its investments to those instruments allowed by its investment policy.

Concentration Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. It is the policy of the Town of Pantego to diversify its investment portfolios. Whenever practical, assets held in the common investment portfolio shall be diversified to minimize the risk of loss resulting from one concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

Custodial Credit Risk – *Investments* - In order to control custody and safekeeping risk State law and the Town of Pantego's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the Town and held in the Town's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of U.S. Financial Institutions Resource and Recovery Enforcement Act ("FIRREA"). The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

C. Property Tax

The Town's property taxes are levied on October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the Town. Property taxes attach as an enforceable lien on property as of January 1 and are levied for appropriation for the fiscal year beginning October 1. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after January 31 of each year. Taxes unpaid as of February 1 are subject to penalty and interest as provided by the Texas Property Tax Code.

Property taxes are accrued based on the period for which they are levied and available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year-end are recorded as deferred revenues and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as deferred revenues and recognized as revenue in the period to which they apply.

General property taxes are limited by the Texas Constitution to $2.50 per $100 of assessed valuation. The combined tax rate to finance general governmental services and debt service for the Town of Pantego for the year ended September 30, 2021 was $0.4200 per $100 of assessed valuation.

D. Receivables and Deferred Revenues

All receivables are shown net of allowance for uncollectible accounts. The allowances for uncollectible accounts are based upon historical experience. Property tax and municipal court allowance for uncollectible accounts are equal to approximately 60% and 75% of the outstanding balance at September 30, and the ambulance allowance consists of accounts aged more than 120 days. The allowance for the water and sewer accounts receivable is equal to the accounts receivable that are aged ninety days or more as of September 30.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Receivables and deferred revenue as of September 30, 2021 for the government's individual major funds, and non-major funds in the aggregate, including the applicable allowances for uncollectible amounts, are as follows:

	General	Street Improvement	Other Governmental	Total Governmental	Water & Sewer	Component Unit
Property tax	$119,757	$ --	$32,552	$152,309	$ --	$ --
Allowance	(71,854)	--	(19,531)	(91,385)	--	--
	$47,903	$ --	$13,021	$60,924	$ --	$ --
Sales tax	$315,966	$63,193	$ --	$379,159	$ --	$126,386
Franchise tax	$148,840	$ --	$ --	$148,840	$ --	$ --
Fines	$775,845	$ --	$ --	$775,845	$ --	$ --
Allowance	(129,887)	--	--	(129,887)	--	--
	$645,958	$ --	$ --	$645,958	$ --	$ --
Accounts	$239,535	$ --	$ --	$239,535	$416,052	$ --
Allowance	(170,027)	--	--	(170,027)	(26,492)	--
	$69,508	$ --	$ --	$69,508	$389,560	$ --
Other	$21,131	$ --	$ --	$21,131	$ --	$ --
Allowance	(2,796)	--	--	(2,796)	--	--
	$18,335	$ --	$ --	$18,335	$ --	$ --

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes receivable (General Fund)	$43,428	$ --
Franchise taxes (General Fund)	133,978	--
Fines receivable (General Fund)	194,830	--
Ambulance (General Fund)	69,508	--
Delinquent property taxes receivable (Debt Service Fund)	12,703	--
Total deferred/unearned revenue for governmental funds	$454,447	$ --

The Pantego Economic Development Corporation (PEDC) component unit provides loans towards assisting businesses with improvements to the borrower's property. Notes receivable for the year ended September 30, 2021 are as follows:

$37,348 loan dated May 1, 2019, at 3% payable in equal monthly installments of $827 over four (4) years beginning May 1, 2019 secured by furniture, fixtures and equipment of the borrower.	$29,360
$22,756 loan dated February 1, 2019, at 3% payable in equal monthly installments of $506 over four (4) years beginning March 1, 2019, secured by furniture, fixtures and equipment of the borrower.	9,815
$20,000 loan dated June 1, 2017, at 3% payable in equal monthly Installments of $442.69 over three (3) years beginning June 1, 2017, secured by the furniture, fixtures and equipment of the borrower.	11,544
Total notes receivable	50,719
Less allowance	(11,544)
Net loans receivable	$39,175

As of September 30, 2021, $11,544 of PEDC loans were past due. Management believes the past due balances are collectible.

E. Interfund Receivables, Payables and Transfers

Inter-fund transfers are reported in the governmental activities and proprietary fund financial statements.

In the government-wide statements, inter-fund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

Fund	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	$142,433	$ --
2019 CO Capital Projects	--	269,920
Nonmajor Governmental Funds		
Equipment Replacement Fund	216,096	
Park Row Project	--	216,096
Enterprise Fund	269,920	142,433
Totals	$628,449	$628,449

Transfers are primarily used to (1) move revenues collected in the special revenue funds to finance various programs in accordance with budgetary authorizations, (2) move receipts restricted for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) transfer additional funds, (4) contribute toward the cost of capital projects, and (5) other operational purposes.

F. Capital Assets

Capital asset activity for the year ended September 30, 2021:

Primary Government

	Balance 9/30/20	Additions	Retirements	Transfers	Inventory Adjustment	Balance 9/30/21
GOVERNMENTAL ACTIVITIES:						
Capital assets, not being depreciated:						
Land	$211,263	$ --	$ --	$ --	$ --	$211,263
Construction in progress	210,458	82,196	--	(268,289)	--	24,365
	421,721	82,196	--	(268,289)	--	235,628
Capital assets, being depreciated:						
Buildings	2,144,726	--	(23,778)	--	1,045	2,121,993
Improvements other than buildings	3,026,344	--	(748,610)	268,289	(86,457)	2,459,566
Machinery and equipment	4,010,815	70,401	(212,953)	--	12,813	3,881,076
Infrastructure	10,504,633	31,452	--	--	--	10,536,085
Total capital assets being depreciated	19,686,518	101,853	(985,341)	268,289	(72,599)	18,998,720
Less accumulated depreciation for:						
Buildings and improvements	(1,381,041)	(56,778)	23,778	--	(3,876)	(1,417,917)
Improvements other than buildings	(1,916,102)	(143,917)	748,610	--	70,240	(1,241,169)
Machinery and equipment	(2,542,676)	(252,053)	176,022	--	3,571	(2,615,136)
Infrastructure	(8,109,846)	(240,144)	--	--	--	(8,349,990)
Total accumulated depreciation	(13,949,665)	(692,892)	948,410	--	69,935	(13,624,212)
Net capital assets being depreciated	5,736,853	(591,039)	(36,931)	268,289	(2,664)	5,374,508
Governmental activities capital	$6,158,574	($508,843)	($36,931)	$ --	($2,664)	$5,610,136

	Balance 9/30/20	Additions	Retirements	Transfers	Inventory Adjustments	Balance 9/30/21
BUSINESS-TYPE ACTIVITIES:						
Capital assets, not being depreciated:						
Land	$61,971	$ --	$ --	$ --	$ --	$61,971
Construction in progress	220,944	281,099	--	--	--	502,043
Total capital assets not being	282,915	281,099	--	--	--	564,014
Capital assets, being depreciated:						
Improvements other than buildings	6,457,581	28,000	(753,072)	--	72,597	5,805,106
Total capital assets being depreciated	6,457,581	28,000	(753,072)	--	72,597	5,805,106
Less accumulated depreciation for:						
Improvements other than buildings	(4,016,376)	(231,035)	753,072	--	(69,937)	(3,564,276)
Total accumulated depreciation	(4,016,376)	(231,035)	753,072	--	(69,937)	(3,564,276)
Capital assets being depreciated, net	2,441,205	(203,035)	--	--	2,660	2,240,830
Business type activities capital assets,	$2,724,120	$78,064	$ --	$ --	$2,660	$2,804,844

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$43,083
Public works	399,395
Community development	22,029
Police	62,940
Fire	162,550
Municipal court	2,895
Total depreciation expense - governmental activities	$692,892
Business-type activities:	
Water and sewer	$231,035

The Pantego Economic Development Corporation (PEDC) occasionally funds public infrastructure improvements. When the construction is completed the capital assets are contributed to the governmental or business-type activities. The following is a summary of changes in the component unit capital assets during the fiscal year ended September 30, 2021:

	Balance 9/30/20	Additions	Retirements	Completed Construction	Balance 9/30/21
COMPONENT UNIT:					
Capital assets, not being depreciated:					
Construction in progress	$ --	$ --	$ --	--	$ --
Total capital assets not being depreciated	--	--	--	--	--
Capital assets, being depreciated:					
Improvements other than buildings	342,700	--	--	--	342,700
Accumulated depreciation	(40,881)	(37,279)	--	--	(78,160)
Capital assets, being depreciated net	301,819	(37,279)	--	--	264,540
Component unit capital assets	$301,819	($37,279)	$ --	$ --	$264,540

G. Construction commitments

The Town has active construction projects as of September 30, 2021, consisting of street and water system improvements.

Project	Spent to Date	Remaining Commitment
Court Relocation Project	$4,977	$87,000
Court Paper-Lite Install	2,477	17,500
Nora Drive Storm Drain	16,911	515,889
	$24,365	$620,389

The street and water improvements are being financed by operations and bond proceeds.

H. Long-term Debt and Obligations

The Town of Pantego and the PEDC component unit have issued general obligation bonds, certificates of obligation bonds and sales tax revenue bonds to provide funds for the acquisition and construction of major capital facilities. The general obligation refunding bonds and certificates of obligation bonds are paid by the debt service fund, the G.O. Bonds Interest and Sinking Debt Service Fund, and the sales tax revenue bonds are paid by the PEDC Debt Service Fund.

All taxes levied and collected for and on account of said bonds are pledged to the Debt Service Fund in amounts authorized by the Town Council. The ordinances authorizing the issuance of the General Obligation Refunding Bonds and the Combination Tax and Limited Pledge Revenue Certificates of Obligation require that the Town's ad valorem tax revenues be enough to generate net revenues sufficient to provide for the payment of the debt service requirements of the bonds issued. At September 30, 2021, this requirement had been met. As of September 30, 2021, the Town had no authorized but unissued bonds.

General Obligation Debt Outstanding as of September 30, 2021, is as follows:

Description	Original Amount	Year of Issue	Final Maturity	Interest Rate	Balance 9/30/21
Governmental Activities					
Certificates of Obligation Bonds:					
Tax and Revenue, Series 2019	$2,735,000	2019	2040	3.00%	$2,565,000
Total Certificates of Obligation					2,655,000
Total Governmental Activities General Obligation Debt					$2,565,000
Component Unit:					
Sales Tax Revenue Bonds:					
Sales Tax Refunding, Series 2010	$1,745,000	2010	2022	4.93%	$190,000
Total Sales Tax Revenue Bonds					190,000
Total General Debt					$190,000

Annual debt service requirements to maturity for general debt:

	Governmental Activities		Component Unit		
Year	Principal	Interest	Principal	Interest	Total
2022	$100,000	$75,450	$190,000	$4,537	$369,987
2023	105,000	72,375	--	--	177,375
2024	110,000	69,150	--	--	179,150
2025	110,000	65,850	--	--	175,850
2026	115,000	62,475	--	--	177,475
2027-2031	630,000	257,700	--	--	887,700
2032-2036	725,000	156,375	--	--	881,375
2037-2040	670,000	40,950	--	--	710,950
Total	$2,565,000	$800,325	$190,000	$4,537	$3,559,862

I. CHANGES IN LONG-TERM LIABILITIES

During the year ended September 30, 2021, the following changes occurred in liabilities reported in the general long-term debt:

	Balance 9/30/20	Additions	Retirements	Balance 9/30/21	Due Within One Year
Governmental activities:					
Certificates of obligation	$2,665,000	$ --	($100,000)	$2,565,000	$100,000
Premium	$87,440	--	(4,726)	82,714	4,726
Discount	($26,876)	--	1,453	(25,423)	(1,453)
	2,725,564	--	(103,273)	2,622,291	103,273
Net pension liability	1,539,282	--	(416,217)	1,123,065	--
Net OPEB liability	134,391	30,392	--	164,783	--
Compensated absences	195,690	221,224	(195,690)	221,224	221,224
Governmental activity Long-Term Liabilities	$4,594,927	$251,616	($715,180)	$4,131,363	$324,497
Business-type activities:					
Net pension liability	$276,552	$ --	($1,030)	$275,522	$ --
Net OPEB liability	15,367	3,807	--	19,174	--
Total business activities Long-Term Debt	$291,919	$3,807	$ --	$294,696	$ --
Component Unit:					
Sales tax revenue bonds	$370,000	$ --	($180,000)	$190,000	$190,000
Total component unit Long-Term Debt	$370,000	$ --	($180,000)	$190,000	$190,000

For the governmental activities, claims and judgments, compensated absences, pension, and OPEB liabilities are generally liquidated by the general fund.

Authorized and Unissued Debt

The Town has no authorized but unissued debt at September 30, 2021.

Arbitrage payable - The Tax Reform Act of 1986 requires that the excess interest earned on tax exempt bo nd proceeds over interest cost must be remitted to the federal government. The arbitrage liability is payable to the federal government every five years; however, the Town calculates and records its arbitrage liability annually. The arbitrage liability is recorded as a liability in the government-wide and proprietary fund financial statements, as applicable, on the accrual basis of accounting. At September 30, 2021, the Town had no arbitrage liability.

J. Sewer Contracts

The Town has contracts with the City of Fort Worth and City of Arlington for the treatment of wastewater. The contracts require the Town to pay varying amounts based on the costs associated with the wastewater treated. Charges for wastewater treatment during fiscal year 2021 were $157,350 for Fort Worth and $115,166 for Arlington.

K. Risk management

The Town is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town had general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool ("TML"). TML is a self-funded pool operating as a common risk management and insurance program. The Town pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category has its own level of reinsurance. The Town continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

L. Contingent Liabilities and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

M. Retirement Commitments

1. Plan Description

The Town participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com

All eligible employees of the Town are required to participate in TMRS.

2. Benefits

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Town, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the Town-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Employees covered by benefit terms.

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	88
Active employees	43
	190

3. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the Town matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the Town. Under the state law governing TMRS, the contribution rate for each Town is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the Town were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town were 17.17% and 15.86% in calendar years 2020 and 2021, respectively. The Town's contributions to TMRS for the year ended September 30, 2021, were $457,837 and were equal to the required contributions.

4 Net Pension Liability

The Town's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Actuarial assumptions used in the December 31, 2020, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2015 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation. After the Asset Allocation Study analysis and experience investigation study, the Board amended the long-term expected rate of return on pension plan investments from 7% to 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates

of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core fixed income	20.00%	4.14%
Real return	10.00%	3.85%
Real estate	10.00%	4.00%
Absolute return	10.00%	3.48%
Private equity	10.00%	7.75%
	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability [a]	Plan Fiduciary Net Position [b]	Net Pension Liability [c]
Balance at 12/31/19	$16,749,825	$14,933,992	$1,815,833
Changes for the year:			
Service cost	492,183	--	492,183
Interest	1,119,646	--	1,119,646
Change of benefit terms	--	--	--
Difference between expected and actual experience	(234,358)	--	(234,358)
Changes of assumptions	--	--	--
Contributions - employer	--	475,832	(475,832)
Contributions - employees	--	193,991	(193,991)
Net investment income	--	1,132,516	(1,132,516)
Benefit payments including refunds of employee contributions	(817,146)	(817,146)	--
Amortization of prior year assets	--	--	--
Administrative expense	--	(7,335)	7,335
Other changes	--	(286)	286
Net changes	560,325	977,572	(417,247)
Balance at 12/31/20	$17,310,150	$15,911,564	$1,398,586

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Total Pension Liability	$19,811,648	$17,310,150	$15,285,695
Plan Fiduciary Net Position	15,911,564	15,911,564	15,911,564
Net Pension Liability/(Asset)	$3,900,084	$1,398,586	($625,869)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the Town recognized pension expense of $386,052. At September 30, 2021, the Town reported deferred outflows and inflows of resources related to pensions from the following sources. Contributions made after the measurement date of the net pension liability but before the end of the employer's or governmental nonemployer contributing entity's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

	Total Remaining (Inflow) Outflow of Resources	Date Established	Original Recognition Period	Amount Amount Recognized in Expense 12/31/20	Balance of Deferred (Inflows) 12/31/20	Balance of Deferred (Inflows)/Outflows 12/31/2020
Due to liabilities:						
Difference in expected & actual experience						
(actuarial (gains) or losses)	($234,358)	12/31/20	1.9100	($122,701)	($111,657)	$ --
	404,716	12/31/19	1.0000	(199,276)	--	--
	21,520	12/31/18	1.0000	926	--	--
Difference in assumption changes						
(actuarial (gains) or losses)	54,251	12/31/2019	1.0000	26,712	--	--
				(294,339)	(111,657)	--
Due to assets:						
Difference in projected & actual earnings on						
pension plan reserves (actuarial (gains)/losses)	(124,471)	12/31/20	5.0000	(24,894)	(99,577)	
	(1,134,125)	12/31/19	4.0000	(226,825)	(680,475)	--
	1,346,583	12/31/18	3.0000	269,317	--	538,632
	(525,321)	12/31/17	2.0000	(175,107)	(175,107)	--
	(450)	12/31/16	1.0000	(150)	--	--
Employer contributions made subsequent to						
measurement date				--	--	338,630
				(157,659)	(955,159)	877,262
				($451,998)	($1,066,816)	$877,262

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Inflows/outflows to Be Recognized in Future Years	
Year ended December	
2021	($269,166)
2022	17,596
2023	(251,719)
2024	(24,895)
2025	--
	($528,184)

N. Other Postemployment Benefits

1. Plan Description

Texas Municipal Retirement System (TMRS) administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including retirees. The Town may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single-employer, defined benefit OPEB plan with benefit payments treated as being equal to the employer's yearly contribution for retirees.

2. Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's actual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit" or OPEB.

*Employees covered by benefit terms**

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	26
Inactive employees entitled to but not yet receiving benefits	9
Active employees	42
	77

* Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested terminations due a refund, etc.)

3. Total OPEB Liability

The Town's total OPEB liability of $183,957 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial assumptions –

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.5% to 11.5% including inflation
Discount rate	2.00%
Retirees' share of benefit related costs	$0

The discount rate was based on the Fidelity Index's"20-Year Municipal GO AA Index" rate as of December 31, 2020.

Mortality rates – service retirees

2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Mortality rates – disabled retirees

2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Changes in the Total OPEB Liability

Changes in the Total OBEB Liability

	Increase (Decrease OPEB Liability
Balance at 12/31/19	$150,028
Changes for the year:	
Service cost	9,700
Interest	4,244
Change of benefit terms	--
Difference between expected and actual experience	(6,411)
Changes of assumptions	27,505
Amortization of prior year assets	--
Benefit payments	(1,909)
Net changes	33,129
Balance at 12/31/20	$183,157

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

*** No assets are accumulated in a trust which meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Sensitivity of the total OPEB liability to changes in the discount rate –

The following presents the total OPEB liability of the Town, calculated using the discount rate of 3.71%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.71%) or 1 percentage point higher (4.71%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	1.00%	2.00%	3.00%
Total OPEB Liability	$232,179	$183,957	$148,589

Deferred Outflows of Resources and Deferred Inflows of Resources, by year, to be recognized in Future OPEB Expense (excluding Town-provided contributions made subsequent to the measurement date).

Contributions made after the measurement date of the net OPEB liability but before the end of the employer's contributing entity's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

	Total Remaining (Inflow) or Outflow of Resources	Date Established	Original Recognition Period	Amount Recognized in 12/31/20 Expense	Balance of Deferred (Inflows) 12/31/20	Balance of Deferred (Inflows)/Outflows 12/31/2020
Due to liabilities:						
Difference in expected and actual experience						
(actuarial (gains) or losses)	($6,411)	12/31/20	4.7800	($1,341)	($5,070)	$ --
	(10,252)	12/31/19	3.9100	(2,088)	(6,076)	
	(10,724)	12/31/18	3.0600	(2,119)	(4,367)	--
				(5,548)	(15,513)	--
Difference in assumption changes						
(actuarial (gains) or losses)	27,353	12/31/20	4.7800	5,754	--	21,751
	27,353	12/31/19	3.9100	5,571		16,211
	(9,433)	12/31/18	3.0600	(1,864)	(3,841)	--
	8,833	12/31/17	2.0600	2,176	--	2,305
				11,637	(3,841)	40,267
Employer contributions made subsequent to measurement date				--	--	3,827
				--	--	3,827
				$6,089	($19,354)	$44,094

Deferred Inflows/outflows to Be Recognized in Future Years

Year ended December	
2021	$6,089
2022	4,042
2023	7,340
2024	3,442
2025	--
	$20,913

N. Prior Period Adjustment

In the prior year certain construction in progress for the Pantego Economic Development Corporation was capitalized in error. This amount has been corrected in the current year by reducing capital assets and net position in the amount of $78,815.

This page is left blank intentionally.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

TOWN OF PANTEGO, TEXAS **EXHIBIT B-1**

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenue:				
Taxes:				
Property	$ 1,343,626	$ 1,343,626	$ 1,351,279	$ 7,653
Sales	1,549,538	1,549,538	1,771,100	221,562
Franchise	282,996	282,996	272,956	(10,040)
Fines and forfeitures	545,000	545,000	544,376	(624)
Licenses and Permits	43,450	43,450	63,406	19,956
Ambulance service	109,000	109,000	101,275	(7,725)
Intergovernmental	3,000	3,000	32,994	29,994
Charges for services	11,500	11,500	18,678	7,178
Investment Earnings	9,300	9,300	748	(8,552)
Miscellaneous	27,850	27,850	70,827	42,977
Total revenues	3,925,260	3,925,260	4,227,639	302,379
Expenditures:				
Current:				
General and administrative	527,359	527,359	522,747	4,612
Public works	356,842	356,842	260,830	96,012
Community development	12,000	12,000	7,403	4,597
Police	1,576,177	1,576,177	1,648,215	(72,038)
Fire	1,336,661	1,336,661	1,307,860	28,801
Municipal Court	420,669	420,669	346,102	74,567
Community relations	11,990	11,990	10,162	1,828
Total Expenditures	4,241,698	4,241,698	4,103,319	138,379
Excess (Deficiency) of Revenues Over (Under) Expenditures	(316,438)	(316,438)	124,320	440,758
Other Financing Sources (Uses):				
Transfers In	142,433	142,433	142,433	--
Total Other Financing Sources (Uses)	142,433	142,433	142,433	--
Net Change in Fund Balances	(174,005)	(174,005)	266,753	440,758
Fund Balances - Beginning	1,607,333	1,607,333	1,607,333	--
Fund Balances - Ending	$ 1,433,328	$ 1,433,328	$ 1,874,086	$ 440,758

TOWN OF PANTEGO, TEXAS

SCHEDULE OF CHANGES IN THE TOWN'S
NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN PLAN YEARS *

	December 31,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total pension liability:										
Service cost	$ 492,183	$ 512,881	$ 481,596	$ 462,387	$ 421,798	$ 362,190	$ 294,270	$ --	$ --	$ --
Interest	1,119,646	1,091,193	1,047,898	1,016,821	980,866	963,211	935,669	--	--	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	(234,358)	(404,716)	21,520	(90,676)	(104,215)	(57,274)	(103,022)	--	--	--
Changes of assumptions	--	54,251	--	--	--	252,911	--	--	--	--
Benefit payments, including refunds of employee contributions	(817,146)	(826,320)	(1,024,180)	(851,307)	(720,846)	(838,452)	(696,398)	--	--	--
Net change in total pension liability	560,325	427,289	526,834	537,225	577,603	682,586	430,519	--	--	--
Total pension liability - beginning	16,749,825	16,322,536	15,795,702	15,258,477	14,680,874	13,998,288	13,567,769	--	--	--
Total pension liability - ending (a)	$ 17,310,150	$ 16,749,825	$ 16,322,536	$ 15,795,702	$ 15,258,477	$ 14,680,874	$ 13,998,288	$ --	$ --	$ --
Plan fiduciary net position:										
Contributions - employer	$ 475,832	$ 509,097	$ 482,422	$ 473,050	$ 388,070	$ 329,956	$ 301,148	$ --	$ --	$ --
Contributions - employee	193,991	203,755	187,705	180,118	163,941	148,438	144,634	--	--	--
Net investment income	1,132,516	2,014,633	(413,685)	1,707,200	791,051	17,797	666,569	--	--	--
Benefit payments, including refunds of employee contributions	(817,146)	(826,320)	(1,024,180)	(851,307)	(720,846)	(838,452)	(696,398)	--	--	--
Administrative expense	(7,335)	(11,395)	(8,001)	(8,850)	(8,936)	(10,841)	(6,960)	--	--	--
Other	(286)	(342)	(418)	(449)	(481)	(535)	(572)	--	--	--
Net change in plan fiduciary net position	977,572	1,889,428	(776,157)	1,499,762	612,799	(353,637)	408,421	--	--	--
Plan fiduciary net position - beginning	14,933,991	13,044,563	13,820,720	12,320,958	11,708,159	12,061,796	11,653,375	--	--	--
Plan fiduciary net position - ending (b)	$ 15,911,563	$ 14,933,991	$ 13,044,563	$ 13,820,720	$ 12,320,958	$ 11,708,159	$ 12,061,796	$ --	$ --	$ --
Town's net pension liability - ending (a) - (b)	$ 1,398,587	$ 1,815,834	$ 3,277,973	$ 1,974,982	$ 2,937,519	$ 2,972,715	$ 1,936,492	$ --	$ --	$ --
Plan fiduciary net position as a percentage of the total pension liability	91.92%	89.16%	79.92%	87.50%	80.75%	79.75%	86.17%	--	--	--
Covered payroll	$ 2,771,302	$ 2,910,790	$ 2,681,493	$ 2,573,108	$ 2,342,020	$ 2,066,197	$ 2,066,197	$ --	$ --	$ --
Town's net pension liability as a percentage of covered payroll	50.47%	62.38%	122.24%	76.75%	125.43%	143.87%	93.72%	--	--	--

Notes to Schedule:

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

TOWN OF PANTEGO, TEXAS

SCHEDULE OF TOWN CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 457,837	$ 477,916	$ 479,475	$ 482,843	$ 461,370	$ 338,187	$ 310,220	$ --	$ --	$ --
Contributions in relation to the actuarially determined contribution	(457,837)	(477,916)	(479,475)	(482,843)	(461,370)	(338,187)	(310,220)	--	--	--
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered payroll	$ 2,820,155	$ 2,768,463	$ 2,725,177	$ 2,665,742	$ 2,572,371	$ 2,215,684	$ 2,034,826	$ --	$ --	$ --
Contributions as a percentage of covered payroll	16.23%	17.26%	17.59%	18.11%	17.94%	15.26%	15.25%	--	--	--

Notes to Schedule

Valuation date:

Notes: Actuarially determined contribution rates are calculated as of December 31, and becomes effective in January, thirteen months later.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age, normal.
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	10-years smoothed market; 12% soft corridor
Inflation	2.5%
Salary increases	3.5% to 11.5%, including inflation
Investment rate of return	6.75%
Retirement age	Experience-based tables of rates that are specific to the Town's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2010-2014.
Mortality	Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generaltional basis with scale UMP. Pre retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes: There were no benefit changes during the year.

TOWN OF PANTEGO, TEXAS

SCHEDULE OF CHANGES IN THE TOWN'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Plan Year Ended December 31,									
	2020	2019	2018	2017	2015	2014	2013	2012	2011	2010
Total OPEB liability:										
Service cost	$ 9,700	$ 8,441	$ 6,704	$ 5,661	$ --	$ --	$ --	$ --	$ --	$ --
Interest	4,244	4,630	4,447	4,315	--	--	--	--	--	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	(6,411)	(10,252)	(10,724)	--	--	--	--	--	--	--
Changes of assumptions or other inputs	27,505	27,353	(9,433)	11,009	--	--	--	--	--	--
Benefit payments	(1,909)	(1,455)	(1,341)	(1,257)	--	--	--	--	--	--
Net change in total OPEB liability	33,129	28,717	(10,347)	19,728	--	--	--	--	--	--
Total OPEB liability - beginning	150,028	121,311	131,658	111,930	--	--	--	--	--	--
Total OPEB liability - ending	$ 183,157	$ 150,028	$ 121,311	$ 131,658	$ --	$ --	$ --	$ --	$ --	$ --
Covered employee-payroll	$ 2,771,302	$ 2,910,790	$ 2,681,493	$ 2,573,108	$ --	$ --	$ --	$ --	$ --	$ --
Total OPEB liability as a percentage of covered payroll	6.61%	5.15%	4.52%	5.12%	--	--	--	--	--	--

Notes to Schedule:

There were no changes of benefit terms in 2020.

There were no changes of assumptions in 2020. The following are the discount rates used in each period.

2020	2.00%
2019	2.75%
2018	3.71%
2017	3.31%
2016	NA
2015	NA
2014	NA
2013	NA
2012	NA
2011	NA

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

Information concerning the budget and budget calendar are detailed in footnote II.A. The General Fund budget is presented on a generally accepted accounting principles basis.

Combining Statements and Budget Comparisons as Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

This page is left blank intentionally.

TOWN OF PANTEGO

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenue that is legally restricted to expenditures for particular purposes.

Coronavirus State and Local Fiscal Recovery Fund – This fund is used to account for grants to the Town to use in response to the Coronavirus pandemic.

Court House Security Fund – This fund is used to account for the Town's share of fines to be used to enhance building security for municipal court.

Court Technology Fund – This fund accounts for the Town's share of fines to be used for improvements to municipal court technology.

Shamburger Fund – This fund is used to account the care and feeding of stray animals found and rescued within the Town of Pantego.

Debt Service Funds are used to account for specific revenue that is legally restricted to expenditures for the accumulation of resources such as property tax revenue to service long-term debt.

The Debt Service Fund is used to account for the accumulation of resources such as property tax revenue, to be used for general obligation bond principal and interest payments, except for those certificates of obligation serviced by the Enterprise Fund.

The Debt Service 2019 CO Fund is used to account for the accumulation of resources such as property tax revenue, to be used for those certificates of obligation issued to assist the Enterprise Fund.

Capital Project Funds are used to account for the accumulation of capital expenditures related to major capital expansion projects or capital equipment.

The Capital Projects/Equipment Replacement Fund accounts for resources used for the acquisition or construction of general major capital facilities and equipment for various governmental departments of the Town other than those financed by enterprise funds.

The 2019 CO Drainage Capital Projects Fund is used to account for costs related to capital drainage projects funded by the 2019 certificate of obligation debt issue.

The Street Improvements Fund is used to account for the accumulation and expenditure of funds for major street repairs or improvements.

EXHIBIT C-1

TOWN OF PANTEGO, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

ASSETS:	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
Assets:				
Cash and Cash Equivalents	$ 527,586	$ 4,687	$ 1,434,704	$ 1,966,977
Receivables, net:				
Property tax	--	13,021	--	13,021
Sales tax	--	--	63,193	63,193
Total Assets	$ 527,586	$ 17,708	$ 1,497,897	$ 2,043,191
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ --	$ --	$ 560	$ 560
Other liabilities	5,792	--	--	5,792
Total Liabilities:	5,792	--	560	6,352
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	--	12,703	--	12,703
Total Deferred Inflows of Resources	--	12,703	--	12,703
FUND BALANCES				
Restricted:				
Debt service	--	5,005	--	5,005
Municipal court	136,025	--	--	136,025
Street improvements	--	--	359,194	359,194
Animal control services	73,664	--	--	73,664
Other purposes	312,105	--	546,788	858,893
Committed				
Capital projects	--	--	591,355	591,355
Assigned				
Total fund balances	521,794	5,005	1,497,337	2,024,136
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 527,586	$ 17,708	$ 1,497,897	$ 2,043,191

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
Property	$ --	$ 179,550	$ --	$ 179,550
Sales	--	--	351,572	351,572
Fines and forfeitures	29,654	--	--	29,654
Intergovernmental	312,086	--	--	312,086
Investment Earnings	254	30	1,438	1,722
Total revenues	341,994	179,580	353,010	874,584
Expenditures:				
Current:				
General and administrative	--	1,500	--	1,500
Public works	--	--	146,172	146,172
Municipal Court	38,404	--	--	38,404
Community relations	737	--	--	737
Capital outlay	--	--	74,742	74,742
Debt Service:				
Principal	--	100,000	--	100,000
Interest and Fiscal Charges	--	78,450	--	78,450
Fiscal Agent's Fees	--	400	--	400
Total Expenditures	39,141	180,350	220,914	440,405
Excess (Deficiency) of Revenues Over (Under) Expenditures	302,853	(770)	132,096	434,179
Other Financing Sources (Uses):				
Transfers In	--	--	216,096	216,096
Transfers Out	--	--	(216,096)	(216,096)
Total Other Financing Sources (Uses)	--	--	--	--
Net Change in Fund Balances	302,853	(770)	132,096	434,179
Fund Balances - Beginning	218,941	5,775	1,365,241	1,589,957
Fund Balances - Ending	$ 521,794	$ 5,005	$ 1,497,337	$ 2,024,136

TOWN OF PANTEGO, TEXAS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2021

ASSETS:	Coronavirus State and Local Fiscal Recovery Funds	Court House Security Fund
Assets:		
Cash and Cash Equivalents	$ 312,105	$ 31,470
Total Assets	$ 312,105	$ 31,470
LIABILITIES AND FUND BALANCES		
Liabilities:		
Other liabilities	$ --	$ --
Total Liabilities:	--	--
FUND BALANCES		
Restricted:		
Municipal court	--	31,470
Animal control services	--	--
Other purposes	312,105	--
Total fund balances	312,105	31,470
Total Liabilities and Fund Balances	$ 312,105	$ 31,470

Court Technology	Shamburger	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
$ 110,347	$ 73,664	$ 527,586
$ 110,347	$ 73,664	$ 527,586
$ 5,792	$ --	$ 5,792
5,792	--	5,792
104,555	--	136,025
--	73,664	73,664
--	--	312,105
104,555	73,664	521,794
$ 110,347	$ 73,664	$ 527,586

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Coronavirus State and Local Fiscal Recovery Funds	Court House Security Fund
Revenue:		
Taxes:		
Fines and forfeitures	$ --	$ 15,792
Intergovernmental	312,086	--
Investment Earnings	19	25
Total revenues	312,105	15,817
Expenditures:		
Current:		
Municipal Court	--	--
Community relations	--	--
Total Expenditures	--	--
Net Change in Fund Balances	312,105	15,817
Fund Balances - Beginning	--	15,653
Fund Balances - Ending	$ 312,105	$ 31,470

Court Technology	Shamburger	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
$ 13,862	$ --	$ 29,654
--	--	312,086
133	77	254
13,995	77	341,994
38,404	--	38,404
--	737	737
38,404	737	39,141
(24,409)	(660)	302,853
128,964	74,324	218,941
$ 104,555	$ 73,664	$ 521,794

TOWN OF PANTEGO, TEXAS
COURT HOUSE SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT C-5

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Fines and forfeitures	$ 12,500	$ 15,792	$ 3,292
Investment Earnings	53	25	(28)
Total revenues	12,553	15,817	3,264
Net Change in Fund Balances	12,553	15,817	3,264
Fund Balances - Beginning	15,653	15,653	--
Fund Balances - Ending	$ 28,206	$ 31,470	$ 3,264

TOWN OF PANTEGO, TEXAS

COURT TECHNOLOGY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Fines and forfeitures	$ 15,000	$ 13,862	$ (1,138)
Investment Earnings	600	133	(467)
Total revenues	15,600	13,995	(1,605)
Expenditures:			
Current:			
Municipal Court	55,867	38,404	17,463
Total Expenditures	55,867	38,404	17,463
Net Change in Fund Balances	(40,267)	(24,409)	15,858
Fund Balances - Beginning	128,964	128,964	--
Fund Balances - Ending	$ 88,697	$ 104,555	$ 15,858

TOWN OF PANTEGO, TEXAS
SHAMBURGER
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Investment Earnings	$ 417	$ 77	$ (340)
Total revenues	417	77	(340)
Expenditures:			
Current:			
Community relations	3,000	737	2,263
Total Expenditures	3,000	737	2,263
Net Change in Fund Balances	(2,583)	(660)	1,923
Fund Balances - Beginning	74,324	74,324	--
Fund Balances - Ending	$ 71,741	$ 73,664	$ 1,923

TOWN OF PANTEGO, TEXAS

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
SEPTEMBER 30, 2021

	Debt Service Fund	Debt Service 2019 CO	Total Nonmajor Debt Service Funds (See Exhibit C-1)
ASSETS:			
Assets:			
Cash and Cash Equivalents	$ 3,310	$ 1,377	$ 4,687
Receivables, net:			
Property tax	13,021	--	13,021
Total Assets	$ 16,331	$ 1,377	$ 17,708
DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	$ 12,703	$ --	$ 12,703
Total Deferred Inflows of Resources	12,703	--	12,703
FUND BALANCES			
Restricted:			
Debt service	3,628	1,377	5,005
Total fund balances	3,628	1,377	5,005
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 16,331	$ 1,377	$ 17,708

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Debt Service Fund	Debt Service 2019 CO	Total Nonmajor Debt Service Funds (See Exhibit C-2)
Revenue:			
Taxes:			
Property	$ 242	$ 179,308	$ 179,550
Investment Earnings	--	30	30
Total revenues	242	179,338	179,580
Expenditures:			
Current:			
General and administrative	1,500	--	1,500
Debt Service:			
Principal	--	100,000	100,000
Interest and Fiscal Charges	--	78,450	78,450
Fiscal Agent's Fees	400	--	400
Total Expenditures	1,900	178,450	180,350
Net Change in Fund Balances	(1,658)	888	(770)
Fund Balances - Beginning	5,286	489	5,775
Fund Balances - Ending	$ 3,628	$ 1,377	$ 5,005

TOWN OF PANTEGO, TEXAS
DEBT SERVICE 2019 CO
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT C-10

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes:			
Property	$ 178,452	$ 179,308	$ 856
Investment Earnings	--	30	30
Total revenues	178,452	179,338	886
Expenditures:			
Debt Service:			
Principal	100,000	100,000	--
Interest and Fiscal Charges	78,450	78,450	--
Total Expenditures	178,450	178,450	--
Net Change in Fund Balances	2	888	886
Fund Balances - Beginning	489	489	--
Fund Balances - Ending	$ 491	$ 1,377	$ 886

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2021

ASSETS:	Equipment Replacement Fund	2019 CO Drainage Capital Projects	Street Improvements Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
Assets:				
Cash and Cash Equivalents	$ 591,355	$ 546,788	$ 296,001	$ 1,434,144
Receivables, net:				
Sales tax	--	--	63,193	63,193
Total Assets	$ 591,355	$ 546,788	$ 359,194	$ 1,497,337
FUND BALANCES:				
Restricted:				
Street improvements	$ --	$ --	$ 359,194	$ 359,194
Other purposes	--	546,788	--	546,788
Committed				
Capital projects	591,355	--	--	591,355
Total fund balances	591,355	546,788	359,194	1,497,337
Total Fund Balances	$ 591,355	$ 546,788	$ 359,194	$ 1,497,337

TOWN OF PANTEGO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Equipment Replacement Fund	2019 CO Drainage Capital Projects
Revenue:		
Taxes:		
Sales	$ --	$ --
Investment Earnings	614	582
Total revenues	614	582
Expenditures:		
Current:		
Public works	--	--
Capital outlay	--	16,911
Total Expenditures	--	16,911
Excess (Deficiency) of Revenues Over (Under) Expenditures	614	(16,329)
Other Financing Sources (Uses):		
Transfers In	216,096	--
Transfers Out	--	--
Total Other Financing Sources (Uses)	216,096	--
Net Change in Fund Balances	216,710	(16,329)
Fund Balances - Beginning	374,645	563,117
Fund Balances - Ending	$ 591,355	$ 546,788

Street Improvements Fund	Park Row Project	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
$ 351,572	$ --	$ 351,572
241	--	1,437
351,813	--	353,009
31,452	--	31,452
61,831	--	78,742
93,283	--	110,194
258,530	--	242,815
--	--	216,096
(110,720)	(216,097)	(326,817)
(110,720)	(216,097)	(110,721)
147,810	(216,097)	132,094
211,384	216,097	1,365,243
$ 359,194	$ --	$ 1,497,337

This page is left blank intentionally.

PANTEGO ECONOMIC DEVELOPMENT CORPORATION FUNDS

PEDC

The Pantego Economic Development Corporation (PEDC) is a discretely presented component unit of the Town, therefore, the PEDC's annual financial statements and annual operating budget are presented separately.

PEDC was founded in 1993, following an election to assess a ½ cent sales and use tax. Funds administered by PEDC are restricted funds and can only be used for those projects which are either directly or indirectly attributable to economic development within the Town.

The PEDC's financial activities are reported in the following funds:

PEDC Debt Service Fund – This fund is used to account for accumulation of sales tax revenue to pay principal and interest due on PEDC debt.

PEDC Operating Fund – This fund is used to account for operations and activities directed towards economic development financed with sales tax revenue.

PEDC Sales Tax Revenue Fund – This fund is used to account for ½ cent sales and use tax.

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	Debt Service	Operating	Sales Tax Revenue	Total Governmental Funds
ASSETS:				
Assets:				
Cash and Cash Equivalents	$ 194,694	$ 748,859	$ --	$ 943,553
Receivables, net:				
Sales tax	--	--	126,386	126,386
Loans receivable	--	39,175	--	39,175
Inventory	--	7,370	--	7,370
Total Assets	$ 194,694	$ 795,404	$ 126,386	$ 1,116,484
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ --	$ 22,977	$ --	$ 22,977
Total Liabilities:	--	22,977	--	22,977
FUND BALANCES				
Nonspendable:				
Inventory	--	7,370	--	7,370
Restricted:				
Debt service	194,694	--	--	194,694
Economic development	--	765,057	126,386	891,443
Total fund balances	194,694	772,427	126,386	1,093,507
Total Liabilities and Fund Balances	$ 194,694	$ 795,404	$ 126,386	$ 1,116,484

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Total fund balances - governmental funds balance sheet	$	1,093,507
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not reported in the funds.		264,540
Payables for bond principal which are not due in the current period are not reported in the funds.		(190,000)
Payables for bond interest which are not due in the current period are not reported in the funds.		(1,197)
Net position of governmental activities - Statement of Net Position	$	1,166,850

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Governmental Component Unit	Governmental Component Unit	Governmental Component Unit	Total Governmental Funds
Revenue:				
Taxes:				
Sales	$ 197,573	$ --	$ 505,570	$ 703,143
Investment Earnings	103	1,529	--	1,632
Miscellaneous	--	435	--	435
Total revenues	197,676	1,964	505,570	705,210
Expenditures:				
Current:				
General and administrative	--	490,190	--	490,190
Debt Service:				
Principal	180,000	--	--	180,000
Interest and Fiscal Charges	13,861	--	--	13,861
Total Expenditures	193,861	490,190	--	684,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,815	(488,226)	505,570	21,159
Other Financing Sources (Uses):				
Transfers In	--	494,952	--	494,952
Transfers Out	--	--	(494,952)	(494,952)
Total Other Financing Sources (Uses)	--	494,952	(494,952)	--
Net Change in Fund Balances	3,815	6,726	10,618	21,159
Fund Balances - Beginning	190,879	765,701	115,768	1,072,348
Fund Balances - Ending	$ 194,694	$ 772,427	$ 126,386	$ 1,093,507

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances - total governmental funds	$	21,159
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:		
The depreciation of capital assets used in governmental activities is not reported in the funds.		(37,279)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.		180,000
(Increase) decrease in accrued interest from beginning of period to end of period.		(32)
Change in net position of governmental activities - Statement of Activities	$	163,848

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
PEDC DEBT SERVICE
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT C-17

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenue:				
Taxes:				
Sales	$ 199,497	$ 199,497	$ 197,573	$ (1,924)
Investment Earnings	400	400	103	(297)
Total revenues	199,897	199,897	197,676	(2,221)
Expenditures:				
Debt Service:				
Principal	180,000	180,000	180,000	--
Interest and Fiscal Charges	9,323	9,323	13,861	(4,538)
Total Expenditures	189,323	189,323	193,861	(4,538)
Net Change in Fund Balances	10,574	10,574	3,815	(6,759)
Fund Balances - Beginning	190,879	190,879	190,879	--
Fund Balances - Ending	$ 201,453	$ 201,453	$ 194,694	$ (6,759)

TOWN OF PANTEGO, TEXAS

PANTEGO ECONOMIC DEVELOPMENT CORPORATION
PEDC OPERATING
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

EXHIBIT C-18

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenue:				
Taxes:				
Investment Earnings	$ 2,000	$ 2,000	$ 1,529	$ (471)
Miscellaneous	20	20	435	415
Total revenues	2,020	2,020	1,964	(56)
Expenditures:				
Current:				
General and administrative	910,700	910,700	490,190	420,510
Total Expenditures	910,700	910,700	490,190	420,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	(908,680)	(908,680)	(488,226)	420,454
Other Financing Sources (Uses):				
Transfers In	417,118	417,118	494,952	77,834
Total Other Financing Sources (Uses)	417,118	417,118	494,952	77,834
Net Change in Fund Balances	(491,562)	(491,562)	6,726	498,288
Fund Balances - Beginning	765,701	765,701	765,701	--
Fund Balances - Ending	$ 274,139	$ 274,139	$ 772,427	$ 498,288

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

TOWN OF PANTEGO, TEXAS

AGGREGATE STATEMENT OF NET POSITION
ENTERPRISE FUNDS
SEPTEMBER 30, 2021

	Enterprise Fund Water and Sewer Fund	Enterprise Fund Water Infrastructure Fund	Nonmajor Enterprise Fund WW Construction Fund	Total Enterprise Funds
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	$ 492,164	$ 596,678	$ 15,929	$ 1,104,771
Receivables (net of allowances for uncollectibles):				
Accounts	312,883	76,677	--	389,560
Inventories	60,411	--	--	60,411
Restricted assets				
Cash and Cash Equivalents	121,856	--	--	121,856
Total Current Assets	987,314	673,355	15,929	1,676,598
Noncurrent Assets:				
Land	61,971	--	--	61,971
Construction in Progress	502,043	--	--	502,043
Improvements Other Than Buildings	5,805,106	--	--	5,805,106
Less Accumulated Depreciation	(3,564,276)	--	--	(3,564,276)
Total Noncurrent Assets	2,804,844	--	--	2,804,844
Total Assets	3,792,158	673,355	15,929	4,481,442
DEFERRED OUTFLOWS OF RESOURCES:				
Employee pensions	172,821	--	--	172,821
Other post empoyment benefits	635	--	--	635
Total Outflows of Resources	173,456	--	--	173,456
LIABILITIES:				
Current Liabilities:				
Accounts payable	38,328	--	--	38,328
Current Liabilities Payable from Restricted Assets:				
Customer Deposits	121,856	--	--	121,856
Total Current Liabilities	160,184	--	--	160,184
Noncurrent Liabilities:				
Net Pension Obligation	275,522	--	--	275,522
Net Opeb Obligation	19,174	--	--	19,174
Total Noncurrent Liabilities	294,696	--	--	294,696
Total Liabilities	454,880	--	--	454,880
DEFERRED INFLOWS OF RESOURCES:				
Employee pensions	210,163	--	--	210,163
Other post employment benefits	2,017	--	--	2,017
Total Inflows of Resources	212,180	--	--	212,180
NET POSITION:				
Net Investment in Capital Assets	2,804,844	--	--	2,804,844
Unrestricted	493,710	673,355	15,929	1,182,994
Total Net Position	$ 3,298,554	$ 673,355	$ 15,929	$ 3,987,838

TOWN OF PANTEGO, TEXAS

AGGREGATE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Fund Water and Sewer Fund	Enterprise Fund Water Infrastructure Fund	Nonmajor Enterprise Fund WW Construction Fund	Total Enterprise Funds
OPERATING REVENUES:				
Charges for Sales and Services:				
Water sales	$ 570,666	$ --	$ --	$ 570,666
Sewer charges	490,702	--	--	490,702
Groundwater conversation fees	17,506	--	--	17,506
Infrastructure improvement fees	--	313,657	--	313,657
Late payment charges	13,332	3,923	--	17,255
Miscellaneous	7,190	--	--	7,190
Total Operating Revenues	1,099,396	317,580	--	1,416,976
OPERATING EXPENSES:				
Personnel	427,013	--	--	427,013
Utilities	99,686	--	--	99,686
Maintenance and repairs	81,631	12,560	--	94,191
Franchise fees	46,498	--	--	46,498
Other	25,908	--	--	25,908
Sewage treatment - other governments	272,516	--	--	272,516
Depreciation	231,035	--	--	231,035
Total Operating Expenses	1,184,287	12,560	--	1,196,847
Operating Income	(84,891)	305,020	--	220,129
NON-OPERATING REVENUES (EXPENSES):				
Investment earnings	628	512	17	1,157
Other income	3,370	--	--	3,370
Total Non-operating Revenues (Expenses)	3,998	512	17	4,527
Income before Transfers	(80,893)	305,532	17	224,656
Transfers In	281,099	(11,179)	--	269,920
Transfers Out	--	(142,433)	--	(142,433)
Change in Net Position	200,206	151,920	17	352,143
Total Net Position - Beginning	3,098,348	521,435	15,912	3,635,695
Total Net Position - Ending	$ 3,298,554	$ 673,355	$ 15,929	$ 3,987,838

TOWN OF PANTEGO, TEXAS

AGGREGATE SCHEDULE OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Water and Sewer Fund	Enterprise Water Infrastructure Fund	Enterprise WW Construction Fund	Enterprise Total Enterprise Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 1,121,571	$ 317,969	$ --	$ 1,439,540
Cash Payments to Employees for Services	(425,227)	--	--	(425,227)
Cash Payments to Other Suppliers for Goods and Services	(569,464)	(12,560)	--	(582,024)
Net Cash Provided (Used) by Operating Activities	126,880	305,409	--	432,289
Cash Flows from Non-capital Financing Activities:				
Receipts fom other funds	--	--	--	--
Receipts from component unit	--	--	--	--
Transfers From (To) Other Funds	281,099	(153,612)	--	127,487
Net Cash Provided (Used) by Non-capital Financing Activities	281,099	(153,612)	--	127,487
Cash Flows from Capital and Related Financing Activities:				
Acquisition or Construction of Capital Assets	(311,759)	--	--	(311,759)
Net Cash Provided (Used) for Capital & Related Financing Activities	(311,759)	--	--	(311,759)
Cash Flows from Investing Activities:				
Interest and Dividends on Investments	628	512	17	1,157
Net Cash Provided (Used) for Investing Activities	628	512	17	1,157
Net Increase (Decrease) in Cash and Cash Equivalents	96,848	152,309	17	249,174
Cash and Cash Equivalents at Beginning of Year	517,172	444,369	15,912	977,453
Cash and Cash Equivalents at End of Year	$ 614,020	$ 596,678	$ 15,929	$ 1,226,627
Reported on Statement of Net Position:				
Unrestricted cash	$ 492,164	$ 596,678	$ 15,929	$ 1,104,771
Restricted cash	121,856	--	--	121,856
	$ 614,020	$ 596,678	$ 15,929	$ 1,226,627
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	$ (84,891)	$ 305,020	$ --	$ 220,129
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation	231,035	--	--	231,035
Other income	3,370	--	--	3,370
Change in Assets and Liabilities:				
Decrease (Increase) in Receivables	5,315	3,253	--	8,568
Decrease (Increase) in Other Receivables	9,661	--	--	9,661
Decrease (Increase) in Inventories	(41,621)	--	--	(41,621)
Decrease (Increase) in Deffered Resource Outflows Pension	8,630	--	--	8,630
Decrease (Increase) in Deffered Resource Outflows OPEB	2,483	--	--	2,483
Increase (Decrease) in Accounts Payable	1,260	(2,864)	--	(1,604)
Increase (Decrease) in Customer Deposits	965	--	--	965
Increase (Decrease) in Net Pension Liability	(1,030)	--	--	(1,030)
Increase (Decrease) in Net OPEB Liability	3,537	--	--	3,537
Increase (Decrease) in Deferred Resource Inflows Pension	(11,729)	--	--	(11,729)
Increase (Decrease) in Deferred Resource Inflows OPEB	(105)	--	--	(105)
Total Adjustments	211,771	389	--	212,160
Net Cash Provided (Used) by Operating Activities	$ 126,880	$ 305,409	$ --	$ 432,289

STATISTICAL SECTION

This part of the Town of Pantego, Texas's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents **Page**

Financial Trends 104

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity 112

These schedules contain information to help the reader assess the factors affecting the Town's ability to generate its property and sales taxes.

Debt Capacity 119

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 123

These schedules offer demographic and economic indicators to help the reader understand how the Town's financial activities take place and to help make comparisons over time and with other governments.

Operating Information 127

These schedules contain information about the Town's operations and resources to help the reader understand how the Town's financial information relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF PANTEGO, TEXAS

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2012	2013	2014	2015	2016
Governmental Activities					
Net Investment in Capital assets	$ 2,874,937	$ 4,518,024	$ 4,109,091	$ 4,411,384	$ 4,485,022
Restricted	2,051,618	1,973,526	2,601,335	2,393,547	2,125,490
Unrestricted	2,073,165	1,868,043	2,584,872	1,194,431	1,279,011
Total Governmental Activities Net Position	$ 6,999,720	$ 8,359,593	$ 9,295,298	$ 7,999,362	$ 7,889,523
Business-type Activities					
Net Investment in Capital assets	$ 1,146,278	$ 996,800	$ 898,886	$ 1,758,984	$ 1,949,812
Restricted	--	--	--	--	--
Unrestricted	1,353,752	1,726,509	1,378,378	1,155,420	915,531
Total Business-type Activities Net Position	$ 2,500,030	$ 2,723,309	$ 2,277,264	$ 2,914,404	$ 2,865,343
Primary Government					
Net Investment in Capital assets	$ 4,021,215	$ 5,514,824	$ 5,007,977	$ 6,170,368	$ 6,434,834
Restricted	2,051,618	1,973,526	2,601,335	2,393,547	2,125,490
Unrestricted	3,426,917	3,594,552	3,963,250	2,349,851	2,194,542
Total Primary Government Net Position	$ 9,499,750	$ 11,082,902	$ 11,572,562	$ 10,913,766	$ 10,754,866

2017	2018	2019	2020	2021
$ 4,193,710	$ 3,984,588	$ 5,354,119	$ 5,494,778	$ 4,781,793
2,053,638	1,978,755	1,430,519	1,383,409	1,515,045
1,053,211	1,289,670	276,613	131,014	1,120,275
$ 7,300,559	$ 7,253,013	$ 7,061,251	$ 7,009,201	$ 7,417,113
$ 2,099,503	$ 2,489,786	$ 2,575,492	$ 2,724,120	$ 2,804,844
--	--	--	--	--
713,445	674,509	863,669	911,575	1,182,994
$ 2,812,948	$ 3,164,295	$ 3,439,161	$ 3,635,695	$ 3,987,838
$ 6,293,213	$ 6,474,374	$ 7,929,611	$ 8,218,898	$ 7,586,637
2,053,638	1,978,755	1,430,519	1,383,409	1,515,045
1,766,656	1,964,179	1,140,282	1,042,589	2,303,269
$ 10,113,507	$ 10,417,308	$ 10,500,412	$ 10,644,896	$ 11,404,951

TOWN OF PANTEGO, TEXAS

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2012	2013	2014	2015	2016
Expenses					
Governmental Activities:					
General and administrative	$ 693,811	$ 605,615	$ 629,296	$ 554,904	$ 506,739
Public works	546,033	716,928	694,444	672,640	895,132
Community development	--	--	--	112,189	139,358
Police	1,296,885	1,194,325	1,176,704	1,243,279	1,382,204
Fire	1,104,320	1,102,614	1,063,922	1,141,976	1,247,185
Municipal court	326,926	343,778	385,411	369,205	372,869
Community relations	--	--	--	--	--
Other	328,025	154,960	186,349	138,389	136,147
Interest on Long-Term Debt	141,009	38,596	38,628	30,149	28,057
Total Governmental Activities Expenses	$ 4,437,009	$ 4,156,816	$ 4,174,754	$ 4,262,731	$ 4,707,691
Business-type Activities					
Water and wastewater	890,868	996,184	1,067,519	1,109,880	1,287,745
Total Business-type Activities Expenses	890,868	996,184	1,067,519	1,109,880	1,287,745
Total Primary Government Expenses	$ 5,327,877	$ 5,153,000	$ 5,242,273	$ 5,372,611	$ 5,995,436
Program Revenues					
Governmental Activities:					
Charges for Services:					
General and administrative	$ 80,444	$ 193,694	$ 114,103	$ 115,389	$ 122,887
Public works	--	--	77,419	--	--
Community development	--	--	--	100,212	89,417
Police	809,480	939,283	882,288	857,936	693,865
Fire	65,770	99,515	145,965	150,571	122,030
Municipal court	40,284	50,155	112,060	52,100	41,774
Community relations	--	--	--	--	--
Other	2,230	2,770	15,295	18,805	20,648
Operating Grants and Contributions	31,613	58,715	32,271	21,850	53,649
Capital Grants and Contributions	--	95,862	--	306,234	--
Total Governmental Activities Program Revenues	$ 1,029,821	$ 1,439,994	$ 1,379,401	$ 1,623,097	$ 1,144,270
Business-type Activities:					
Charges for Services:					
Water and Wastewater	$ 1,151,062	$ 1,218,637	$ 1,177,852	$ 1,223,699	$ 1,236,588
Operating Grants and Contributions	--	--	--	--	--
Capital Grants and Contributions	--	--	--	60,097	60,097
Total Business-type Activities Program Revenues	1,151,062	1,218,637	1,177,852	1,283,796	1,296,685
Total Primary Government Program Revenues	$ 2,180,883	$ 2,658,631	$ 2,557,253	$ 2,906,893	$ 2,440,955
Net (Expense)/Revenue					
Governmental Activities	$ (3,407,188)	$ (2,716,822)	$ (2,795,353)	$ (2,639,634)	$ (3,563,421)
Business-type Activities	260,194	222,453	110,333	173,916	8,940
Total Primary Government Net Expense	$ (3,146,994)	$ (2,494,369)	$ (2,685,020)	$ (2,465,718)	$ (3,554,481)

TABLE D-2

2017	2018	2019	2020	2021
$ 589,280	$ 596,456	$ 584,393	$ 562,177	$ 575,663
658,630	621,545	627,099	590,635	732,024
199,548	168,172	193,769	140,109	29,432
1,575,419	1,507,206	1,734,699	1,559,711	1,484,524
1,419,752	1,347,654	1,378,017	1,404,650	1,331,682
416,187	406,537	407,102	383,879	336,347
--	--	--	9,152	10,899
27,387	13,927	17,227	88,934	74,758
16,230	11,884	105,517	--	--
$ 4,902,433	$ 4,673,381	$ 5,047,823	$ 4,739,247	$ 4,575,329
1,252,304	1,088,168	1,260,231	1,412,240	1,196,847
1,252,304	1,088,168	1,260,231	1,412,240	1,196,847
$ 6,154,737	$ 5,761,549	$ 6,308,054	$ 6,151,487	$ 5,772,176
$ --	$ --	$ --	$ --	$ --
--	--	--	145,112	--
77,457	97,086	60,694	47,610	70,402
547,499	779,454	742,507	557,177	553,949
187,824	78,527	54,102	99,099	132,719
23,611	31,083	24,122	29,363	29,654
--	--	--	--	--
--	--	--	--	--
11,342	12,205	10,719	147,161	32,994
7,378	--	4,605	2,659	312,885
$ 855,111	$ 998,355	$ 896,749	$ 1,028,181	$ 1,132,603
$ 1,192,044	$ 1,418,974	$ 1,527,008	$ 1,434,237	$ 1,416,976
--	--	--	--	--
--	--	--	--	--
1,192,044	1,418,974	1,527,008	1,434,237	1,416,976
$ 2,047,155	$ 2,417,329	$ 2,423,757	$ 2,462,418	$ 2,549,579
$ (4,047,322)	$ (3,675,026)	$ (4,151,074)	$ (3,711,066)	$ (3,442,726)
(60,260)	330,806	266,777	21,997	220,129
$ (4,107,582)	$ (3,344,220)	$ (3,884,297)	$ (3,689,069)	$ (3,222,597)

TOWN OF PANTEGO, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2012	2013	2014	2015	2016
Net (Expense)/Revenue					
Governmental Activities	$ (3,407,188)	$ (2,716,822)	$ (2,795,353)	$ (2,639,634)	$ (3,563,421)
Business-type Activities	260,194	222,453	110,333	173,916	(51,157)
Total Primary Government Net Expense	$ (3,146,994)	$ (2,494,369)	$ (2,685,020)	$ (2,465,718)	$ (3,614,578)
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property	$ 993,101	$ 1,016,196	$ 1,026,470	$ 1,035,238	$ 1,056,398
Sales and use tax	1,749,558	1,640,680	1,708,772	1,814,089	1,974,220
Franchise	494,345	301,675	342,799	315,694	334,925
Investment Earnings	7,373	6,991	3,140	6,036	14,237
Miscellaneous	60,879	32,431	24,148	15,375	73,802
Gain (loss) on disposal of capital assets	--	--	68,733	13,212	--
Transfers in (out)	(5,544)	--	557,000	(605,606)	--
Total Governmental activities	$ 3,299,712	$ 2,997,973	$ 3,731,062	$ 2,594,038	$ 3,453,582
Business-type Activities:					
Investment income	646	826	622	1,270	2,096
Miscellaneous	--	--	--	--	--
Transfers in (out)	5,544	--	(557,000)	605,606	--
Total Business-type Activities	6,190	826	(556,378)	606,876	2,096
Total Primary Government	$ 3,305,902	$ 2,998,799	$ 3,174,684	$ 3,200,914	$ 3,455,678
Change in Net Position					
Governmental Activities	$ (107,476)	$ 281,151	$ 935,709	$ (45,596)	$ (109,839)
Business-type Activities	266,384	223,279	(446,045)	780,792	(49,061)
Total Primary Government	$ 158,908	$ 504,430	$ 489,664	$ 735,196	$ (158,900)

TABLE D-3

	2017	2018	2019	2020	2021
$	(4,047,322)	$ (3,675,026)	$ (4,151,074)	$ (3,711,066)	$ (3,442,726)
	(60,260)	330,806	266,777	21,997	220,129
$	(4,107,582)	$ (3,344,220)	$ (3,884,297)	$ (3,689,069)	$ (3,222,597)
$	1,126,456	$ 1,253,512	$ 1,367,835	$ 1,474,402	$ 1,532,378
	1,927,619	1,941,472	2,014,986	1,968,091	2,122,672
	331,537	331,573	337,830	283,723	263,064
	42,736	80,643	143,034	65,842	4,569
	30,011	16,309	206,999	54,709	55,442
	--	3,970	--	(23,575)	--
	--	--	--	(164,176)	(127,487)
$	3,458,359	$ 3,627,479	$ 4,070,684	$ 3,659,016	$ 3,850,638
	7,244	13,219	15,942	10,191	1,157
	622	7,321	504	470	3,370
	--	--	--	164,176	127,487
	7,866	20,540	16,446	174,837	132,014
$	3,466,225	$ 3,648,019	$ 4,087,130	$ 3,833,853	$ 3,982,652
$	(588,963)	$ (47,547)	$ (80,390)	$ (52,050)	$ 407,912
	(52,394)	351,346	283,223	196,834	352,143
$	(641,357)	$ 303,799	$ 202,833	$ 144,784	$ 760,055

TABLE D-4

TOWN OF PANTEGO, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ --	$ --	$ 16,272	$ 32,085	$ 2,883	$ 3,344	$ 5,379	$ 20,243	$ 3,748	$ 5,356
Restricted:										
Other purposes	4,054	5,910	11,533	18,685	38,622	--	--	--	--	--
Committed for:										
Debt service	--	--	50,100	--	--	--	--	--	--	--
Equipment replacement	--	--	--	--	--	--	--	--	--	--
Assigned to:										
Deficit subsequent year budget	176,763	--	--	--	--	--	--	--	--	--
Equipment replacement	--	--	--	100,000	100,000	100,000	100,000	100,000	--	--
Unassigned	1,324,256	1,618,969	2,044,887	2,115,419	2,483,019	2,469,074	2,484,181	1,864,473	1,603,585	1,868,730
Total General Fund	$ 1,505,073	$ 1,624,879	$ 2,122,792	$ 2,266,189	$ 2,624,524	$ 2,572,418	$ 2,589,560	$ 1,984,716	$ 1,607,333	$ 1,874,086
All Other Governmental Funds										
Restricted for:										
Debt service	$ 254,323	$ 236,159	$ 237,642	$ 235,327	$ 102,701	$ 69,582	$ 37,475	$ 7,105	$ 5,775	$ 5,005
Municipal court	70,785	71,516	84,972	93,294	101,017	92,129	105,967	121,672	144,617	136,025
Street improvements	1,502,483	1,509,455	668,709	875,997	720,517	882,109	821,166	588,720	211,384	359,194
Park Row project	--	--	1,407,000	1,061,604	1,056,231	1,064,998	1,085,053	838,274	216,097	--
Animal control services	91,225	84,238	82,941	81,700	77,633	75,172	74,194	74,086	74,324	73,664
Economic development	74,963	--	--	--	--	--	--	--	--	--
Other purposes	59,204	63,283	54,195	20,870	21,497	10,545	4,898	2,756,905	2,624,883	2,652,839
Committed to:										
Capital projects	511,445	220,952	429,361	34,652	24,953	25,162	25,632	26,252	374,645	591,355
Assigned to:										
Equipment replacement	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	(4,016)	--	--	--	--	--	--
Total All Other Governmental Funds	$ 2,564,428	$ 2,185,603	$ 2,964,820	$ 2,399,428	$ 2,104,549	$ 2,219,697	$ 2,154,385	$ 4,413,014	$ 3,651,725	$ 3,818,082

Note: The City implemented GASB Statement 54 in fiscal year 2011. Prior year balances have not been restated to conform to GASB Statement 54.

TABLE D-5

TOWN OF PANTEGO, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property tax	$ 991,707	$ 1,019,023	$ 1,025,090	$ 1,027,925	$ 1,060,682	$ 1,122,305	$ 1,247,876	$ 1,351,129	$ 1,492,559	$ 1,530,829
Sales tax	1,749,558	1,640,680	1,708,772	1,814,089	1,974,220	1,927,619	1,941,471	2,014,986	1,968,091	2,122,672
Franchise tax	343,620	312,658	331,465	318,154	337,774	325,907	335,336	331,327	293,989	272,956
Court fines, permits and fees	919,785	991,792	--	--	--	--	--	--	--	--
Fines and Forfeitures	--	--	913,788	880,750	780,857	636,400	760,642	708,424	586,725	574,030
Licenses and permits	--	--	77,419	100,212	89,417	71,937	91,979	55,094	44,020	63,406
Ambulance service	123,802	120,927	143,553	134,355	124,770	148,648	82,934	84,012	101,314	101,275
Charges for service	--	112,296	126,342	130,849	157,920	25,800	6,084	3,705	2,170	18,678
Contributions and donations	--	--	18,050	21,850	27,634	10,145	11,070	5,000	3,200	--
Investment earnings	7,373	6,991	3,140	6,036	14,237	5,765	6,121	143,035	65,843	4,569
Intergovernmental	1,885	95,862	--	260,210	26,015	42,736	80,642	7,810	289,073	345,080
Miscellaneous	106,110	104,196	69,821	55,546	88,450	35,806	26,777	220,490	68,776	70,827
Total Revenues	4,243,840	4,404,425	4,417,440	4,749,976	4,681,976	4,353,068	4,590,932	4,925,012	4,915,760	5,104,322
Expenditures										
Current operations:										
General and administrative	641,908	564,540	587,745	525,373	444,827	498,044	590,851	553,576	569,451	524,247
Public works	215,127	385,942	370,659	350,408	606,080	369,060	372,760	325,534	342,957	407,002
Community Development	--	--	--	113,679	130,644	146,978	141,224	141,360	141,094	7,403
Police	1,235,305	1,146,567	1,144,331	1,163,861	1,203,351	1,399,001	1,490,173	1,710,497	1,708,420	1,648,215
Fire	1,029,348	1,026,053	978,439	1,039,334	1,077,145	1,301,849	1,322,936	2,073,485	1,316,126	1,307,860
Municipal court	322,743	345,589	378,979	364,599	350,932	383,498	390,840	393,037	399,982	384,506
Other	309,378	112,674	146,946	100,259	99,450	27,387	18,727	17,787	9,152	10,899
Capital outlay	324,771	473,361	329,297	634,541	475,601	135,089	283,206	752,254	1,232,261	74,742
Debt service										
Principal	335,638	226,900	224,030	261,483	200,115	30,000	30,000	30,000	70,000	100,000
Interest and fiscal agent charges	138,073	39,218	35,001	26,014	30,375	3,576	2,355	74,170	106,699	78,850
Total Expenditures	4,552,291	4,320,844	4,195,427	4,579,551	4,618,520	4,294,482	4,643,072	6,071,700	5,896,142	4,543,724
Excess of Revenues										
Over (Under) Expenditures	(308,451)	83,581	222,013	170,425	63,456	58,586	(52,140)	(1,146,688)	(980,382)	560,598
Other Financing Sources (Uses)										
Transfers In	802,218	330,221	1,573,048	638,391	472,899	26,134	18,691	10,893	348,082	358,529
Transfers Out	(807,762)	(330,221)	(1,016,052)	(1,243,997)	(472,899)	(26,134)	(18,691)	(10,893)	(512,258)	(486,016)
Proceeds of capital lease	32,737	66,675	429,361	--	--	--	--	--	--	--
Proceeds from insurance recovery	--	--	--	--	--	--	--	--	--	--
Proceeds of bond issuance net	--	--	--	--	--	--	--	2,800,473	--	--
Payment to refunded bonds agent	--	--	--	--	--	--	--	--	--	--
Proceeds from sale of capital assets	52	9,423	68,733	13,212	--	4,455	3,970	--	5,886	--
Total Other Financing Sources (Uses)	27,245	76,098	1,055,090	(592,394)	--	4,455	3,970	2,800,473	(158,290)	(127,487)
Net Change in Fund Balances	$ (281,206)	$ 159,679	$ 1,277,103	$ (421,969)	$ 63,456	$ 63,041	$ (48,170)	$ 1,653,785	$ (1,138,672)	$ 433,111
Debt Service As A Percentage Of Noncapital Expenditures	11.21%	6.92%	6.70%	7.29%	5.54%	0.81%	0.75%	1.96%	4.00%	4.00%

TABLE D-6

TOWN OF PANTEGO, TEXAS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales & Use Tax	Franchise Tax	Total
2012	$ 991,707	$ 1,749,558	$ 343,620	$ 3,084,885
2013	1,019,023	1,640,680	312,658	2,972,361
2014	1,025,090	1,708,772	331,465	3,065,327
2015	1,027,925	1,814,089	318,154	3,160,168
2016	1,060,682	1,974,220	337,774	3,372,676
2017	1,122,305	1,927,619	325,907	3,375,831
2018	1,247,876	1,941,471	335,336	3,524,683
2019	1,351,129	2,014,986	331,327	3,697,442
2020	1,492,559	1,968,091	293,989	3,754,639
2021	1,530,829	2,122,672	272,956	3,926,457
Percent Change 2012-2021	54.4%	21.3%	-20.6%	27.3%

TABLE D-7

TOWN OF PANTEGO, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Residential Property	Industrial/ Commercial Property	Mineral Reserves	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2012	$ 94,073,887	$ 146,999,822	$ 1,059,600	$ 11,600,419	$ 230,532,890	$ 0.4100	$ 230,532,890	100.000%
2013	96,721,534	146,193,612	4,124,310	11,973,713	235,065,743	0.4100	235,065,743	100.000%
2014	96,315,249	146,719,746	1,029,420	13,260,159	230,804,256	0.4200	230,804,256	100.000%
2015	142,259,144	155,581,300	1,195,830	52,185,034	246,851,240	0.4200	246,851,240	100.000%
2016	143,215,261	155,926,097	2,326,070	53,097,672	248,369,756	0.4200	248,369,756	100.000%
2017	155,968,390	171,818,829	488,020	54,552,563	273,722,676	0.4200	273,722,676	100.000%
2018	169,862,585	194,414,886	188,960	68,066,461	296,399,970	0.4200	296,399,970	100.000%
2019	180,634,387	211,698,893	305,820	71,492,406	321,146,694	0.4200	321,146,694	100.000%
2020	301,274,866	127,749,643	409,742	74,078,235	355,356,016	0.4200	355,356,016	100.000%
2021	231,193,211	209,800,985	159,320	75,893,633	365,259,883	0.4200	365,259,883	100.000%

Source: Tarrant Appraisal District

Note: Property in the Town is reassessed each year.
Property is assessed at actual value, therefore the assessed values are equal to actual value.

TABLE D-8

TOWN OF PANTEGO, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Town Direct Rates			Overlapping Rates				
	Operating & Maintenance	Interest & Sinking	Total Direct Rate	Tarrant County	Tarrant County Hospital District	Tarrant County Jr. College District	Arlington Independent School District	Total Direct and Overlapping Rates
2012	$ 0.351044	$ 0.058956	$ 0.410000	$ 0.264000	$ 0.227897	$ 0.148970	$ 1.305500	$ 2.356367
2013	0.351044	0.058956	0.410000	0.264000	0.227897	0.148970	1.301000	2.351867
2014	0.361060	0.058940	0.420000	0.264000	0.227897	0.149500	1.292170	2.353567
2015	0.385320	0.034680	0.420000	0.264000	0.227970	0.149500	1.348110	2.409580
2016	0.420000	--	0.420000	0.264000	0.227897	0.149500	1.412952	2.474349
2017	0.420000	--	0.420000	0.244000	0.224429	0.140060	1.368670	2.397159
2018	0.420000	--	0.420000	0.234000	0.224429	0.136070	1.368670	2.383169
2019	0.420000	--	0.420000	0.234000	0.224429	0.136070	1.368670	2.383169
2020	0.370094	0.049906	0.420000	0.234000	0.224429	0.136070	1.298670	2.313169
2021	0.370516	0.049484	0.420000	0.234000	0.224429	0.130170	1.387100	2.395699

Source: Tarrant Appraisal District and Town records.

Notes: All rates per $100 assessed value.
Totals are not provided for columns since they would be meaningless.
Some of the jurisdictions are mutually exclusive.

TOWN OF PANTEGO, TEXAS

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	2021 Taxable Assessed Value	2021 Rank	2021 Percentage of Total City Taxable Assessed Value	2012 Taxable Assessed Value	2012 Rank	2012 Percentage of Total City Taxable Assessed Value
Triad Senior Living III LP	$ 13,301,050	1	3.6%	$ 8,076,400	1	3.5%
SVS Apartments LLC	8,100,000	2	2.2%	--	--	--
Texas Pneumatic Systems Inc	6,759,563	3	1.9%	4,042,002	3	1.8%
Northlake Partners LLC	6,103,997	4	1.7%	--	--	--
Oncor Electric Delivery Co LLC	5,754,193	5	1.6%	4,111,694	2	1.8%
TSCA-201 Ltd Partnership	5,400,000	6	1.5%	3,780,372	4	1.6%
Four Seasons Pantego I Ltd	4,800,000	7	1.3%	3,029,250	6	1.3%
Store Here Pantego LLC	4,122,185	8	1.1%	--	--	--
Public Storage Benelux Partnership	3,845,034	9	1.1%	--	--	--
Southwest Cabinet Corp	3,806,660	10	1.0%	2,176,104	10	0.9%
Stagliano, VJ Etux Peggy Etal	--	--	--	3,700,000	5	1.6%
Wal-Mart Stores Texas LP	--	--	--	2,893,255	7	1.3%
Carrizo Oil & Gas	--	--	--	2,776,570	8	1.2%
Aldi (Texas) LLC	--	--	--	2,769,018	9	1.2%
Subtotal	61,992,682		17.0%	37,354,665		16.2%
Remaining Roll	303,267,201		83.0%	193,178,225		83.8%
Total	$ 365,259,883		100.0%	$ 230,532,890		100.0%

Source: Tarrant Appraisal District

TABLE D-10

TOWN OF PANTEGO, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date		Outstanding As of 9/30/21
		Amount	Percentage of Levy		Amount	Percentage of Levy	
	$	$		$	$		$
2012	986,296	967,494	98.09%	16,180	983,674	99.73%	2,622
2013	998,635	986,987	98.83%	7,880	994,867	99.62%	3,768
2014	1,018,192	1,003,184	98.53%	9,401	1,012,585	99.45%	5,607
2015	1,036,777	1,009,813	97.40%	21,175	1,030,988	99.44%	5,789
2016	1,043,154	1,032,490	98.98%	2,478	1,034,968	99.22%	8,186
2017	1,126,380	1,110,985	98.63%	6,533	1,117,518	99.21%	8,862
2018	1,244,880	1,239,419	99.56%	3,929	1,243,348	99.88%	1,532
2019	1,348,816	1,332,986	98.83%	7,474	1,340,460	99.38%	8,356
2020	1,492,495	1,480,372	99.19%	1,396	1,481,768	99.28%	10,727
2021	1,534,092	1,516,520	98.85%	--	1,516,520	98.85%	17,572

Sources: Tarrant County Tax Assessor Collector and Town records.

Tax Lien and Assessment Date	January 1 each year
Taxes due:	October 1 of the same year
Taxes delinquent	February 1 of the following year

TABLE D-11

TOWN OF PANTEGO, TEXAS

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	City Direct Rate	Sales Tax for Property Tax Relief	Sales Tax For Economic/ Industrial Dev Sec 4B
2012	1.00%	0.50%	--
2013	1.00%	0.50%	--
2014	1.00%	0.50%	--
2015	1.00%	0.50%	--
2016	1.00%	0.50%	--
2017	1.00%	0.50%	--
2018	0.875%	0.50%	0.125%
2019	0.875%	0.50%	0.125%
2020	0.875%	0.50%	0.125%
2021	0.875%	0.50%	0.125%

Source: Office of the Comptroller of the State of Texas.

TABLE D-12

TOWN OF PANTEGO, TEXAS

SALES TAX COLLECTIONS BY FUND
LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General	$ 1,097,439	$ 1,369,008	$ 1,426,788	$ 1,514,382	$ 1,647,731	$ 1,608,733	$ 1,620,587	$ 1,664,945	$ 1,631,776	$ 1,771,100
Street Improvement	217,373	271,672	281,984	299,707	326,490	318,886	320,884	332,989	326,355	351,572
PEDC Sales Tax	434,746	--	--	--	--	--	--	--	--	--
Total Primary Government	1,749,558	1,640,680	1,708,772	1,814,089	1,974,221	1,927,619	1,941,471	1,997,934	1,958,131	2,122,672
Component Unit - Economic Development	--	543,344	563,969	599,415	652,983	637,488	641,769	665,128	652,710	703,143
Total Sales Tax Collections	$ 1,749,558	$ 2,184,024	$ 2,272,741	$ 2,413,504	$ 2,627,204	$ 2,565,107	$ 2,583,240	$ 2,663,062	$ 2,610,841	$ 2,825,815

Note: PEDC sales tax from FY 2013 and forward are presented separately from the primary government as a discretely presented component unit in compliance with GASB 14, 34, and 61.

TOWN OF PANTEGO, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities: General Obligation Bonds	Certificates of Participation	Sales tax Revenue Bonds	Capital Leases	Total Primary Government
2012	$ 260,000	$ 195,000	$ 1,535,000	$ 547,050	$ 2,537,050
2013	160,000	170,000	--	511,825	841,825
2014	55,000	145,000	--	847,157	1,047,157
2015	--	120,000	--	66,481	186,481
2016	--	90,000	--	494,919	584,919
2017	--	60,000	--	335,957	395,957
2018	--	30,000	--	171,250	201,250
2019	--	2,798,837	--	--	2,798,837
2020	--	2,725,564	--	--	2,725,564
2021	--	2,622,291	--	--	2,622,291

Fiscal Year	Percentage of Personal Income	Per Capita
2012	3.6%	1,060
2013	1.2%	346
2014	1.5%	425
2015	0.3%	75
2016	0.8%	235
2017	0.5%	159
2018	0.3%	80
2019	3.1%	1,101
2020	3.5%	1,076
2021	2.9%	1,021

See Table 18 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Certificates of Partiipation are reflected net of unamortized discounts/premiums.

TOWN OF PANTEGO, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property	Per Capita
	$	$	$	$		
2012	260,000	195,000	254,323	200,677	0.09%	82
2013	160,000	170,000	240,981	89,019	0.04%	36
2014	55,000	145,000	237,642	(37,642)	-0.02%	--
2015	--	120,000	235,327	(115,327)	-0.05%	--
2016	--	90,000	102,701	(12,701)	-0.01%	--
2017	--	60,000	69,582	(9,582)	--	--
2018	--	30,000	37,475	(7,475)	-1.00%	--
2019	--	2,798,837	7,105	2,791,732	0.85%	1,101
2020	--	2,725,564	5,699	2,719,865	0.85%	1,076
2021	--	2,622,291	17,709	2,604,582	0.73%	1,014

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See Table D-7 for property value data.

Population data can be found in Table D-18.

Certificates of Partiipation are reflected net of unamortized discounts/premiums.

TOWN OF PANTEGO, TEXAS

DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)

Governmental Unit	Debt (1) Outstanding		Estimated Percentage Applicable (2)	Estimated Share of Direct and Overlapping Debt
Tarrant County	213,675,000		0.1100%	$ 235,043
Tarrant County Hospital District	14,495,000		0.0100%	1,450
Tarrant County College District	255,995,000	(3)	0.1300%	332,794
Arlington ISD	1,081,249,956	(4)	3.4900%	37,735,623
Subtotal, Overlapping Debt				38,304,910
Town of Pantego	2,622,291	(1)	100.0000%	2,622,291
Total Direct and Overlapping Debt				$ 40,927,201

Sources:
(1) Town records.
(2) Tarrant Appraisal District, estimated percentage is based on formula using assessed net taxable property values.
(3) There is no bonded debt for college.
(4) Per AISD ACFR for fiscal year ended June 30, 2021

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Pantego. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

TABLE D-16

TOWN OF PANTEGO, TEXAS

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed Value of Property	$ 230,532,890	$ 235,065,743	$ 230,804,256	$ 246,851,240	$ 248,369,756	$ 273,722,676	$ 296,399,970	$ 321,146,694	$ 355,356,016	$ 365,259,883
Debt Limit, 10% of Assessed Debt	23,053,289	23,506,574	23,080,426	24,685,124	24,836,976	27,372,268	29,639,997	32,114,669	35,535,602	36,525,988
Amount of Debt Applicable to Limit										
General Debt	455,000	330,000	200,000	120,000	90,000	60,000	30,000	2,735,000	2,665,000	2,565,000
Less Resources for Repayment	(254,323)	(240,981)	(237,642)	(235,327)	(102,701)	(69,582)	(37,475)	(7,105)	(5,699)	(5,005)
Total Net Debt Applicable to Limit	200,677	89,019	(37,642)	(115,327)	(12,701)	(9,582)	(7,475)	2,727,895	2,659,301	2,559,995
Legal Debt Margin	22,852,612	23,417,555	23,118,068	24,800,451	24,849,677	27,381,850	29,647,472	29,386,774	32,876,301	33,965,993
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.09%	0.04%	-0.02%	-0.05%	-0.01%	-0.00%	-0.00%	0.85%	0.75%	0.70%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	$ 365,259,883
Debt Limit (10% of Assessed Value)	36,525,988
Debt Applicable to Limit:	
General Debt	2,565,000
Less: Amount Set Aside for Repayment of General Obligation Debt	(5,005)
Total Net Debt Applicable to Limit	2,559,995
Legal Debt Margin	$ 33,965,993

TOWN OF PANTEGO, TEXAS

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Pantego Economic Development Corporation Sales Tax Revenue Bonds			
Fiscal Year	Sales tax Collections	Debt Service Principal	Debt Service Interest	PEDC Bond Coverage
2012	$ 434,746	$ 110,000	$ 79,709	2.29
2013	543,344	110,000	73,985	2.95
2014	563,969	130,000	68,006	2.85
2015	599,415	140,000	61,260	2.98
2016	652,983	140,000	54,401	3.36
2017	638,621	145,000	47,041	3.33
2018	635,912	160,000	39,499	3.19
2019	665,128	165,000	31,399	3.39
2020	652,710	175,000	22,906	3.30
2021	703,144	180,000	13,861	3.63

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.
In 2010, PEDC refunded the sales tax revenue bonds.
Bond covenants require a coverage of no less than 1.25

TOWN OF PANTEGO, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Population (1)	2,430	2,462	2,480	2,485	2,494	2,505	2,543	2,532	2,480	2,568
Personal Income (000's) (1)	$ 71,000	$ 71,000	$ 69,851	$ 71,052	$ 86,929	$ 65,463	$ 90,874	$ 78,723	$ 90,304	$ 91,011
Per Capita Personal Income (2)	$ 28,838	$ 28,629	$ 28,110	$ 28,489	$ 34,702	$ 25,286	$ 35,735	$ 35,289	$ 36,413	$ 36,413
Median Age (1)	45.2	45.2	42.4	45.6	47.4	47.0	52.7	53.8	51.7	51.7
Public School Enrollment (2)	4,185	4,258	4,219	4,312	4,126	4,162	4,069	3,969	4,027	3,951
Unemployment Rate (4)	6.9%	6.3%	5.3%	4.7%	4.0%	3.2%	3.4%	3.1%	6.4%	4.5%

Sourc Data USA 2017

(1) 2010 Census; 2011-2013 estimates; Neilsen Company Demographics; 2014, 2015, 2016 estimates.,Data USA 2017 estimate. Census estimates 2018 and 2019.

(2) Personal income is derived by multiplying per capita income by the estimated population.

(3) Arlington Independent School District (AISD) - Student Demographic Reports. Includes enrollment for Hill Elementary, Bailey Junior High and Arlington High School which are AISD schools zoned for the Town of Pantego.

(4) U.S. Department of Labor, Bureau of Labor Statistics - State of Texas Unemployment Statistics report.

TOWN OF PANTEGO, TEXAS

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NONE YEARS AGO
(UNAUDITED)

	2021			2012		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wal-Mart Neighborhood	123	1	17.70%	125	3	13.10%
Pantego Christian Academy	115	2	16.55%	153	2	16.04%
Welden Mechanical Corporation	100	3	14.39%	22	9	2.31%
Anton Cabinetry	95	4	13.67%	100	4	10.48%
Camp Thurman	60	5	8.63%	--	--	--
Texas Pneumatic Systems	54	6	7.77%	50	5	5.24%
Town of Pantego	49	7	7.05%	--	--	--
Texas Traffic and Barricade	40	8	5.76%	--	--	--
The Waterford	35	9	5.04%	30	7	3.14%
Trojan Electric	24	10	3.45%	26	8	2.73%
Holiday Inn Club Vacations	--	--	--	400	1	41.93%
ESP Services Heating & A/C	--	--	--	36	6	3.77%
Artic Star	--	--	--	12	10	1.26%
Total	695		100.00%	954		100.00%

Sources: Town's Economic Development records.

Notes:

1. Total employment figures for the Town of Pantego were not available to calculate percentage of total Town employment.
2. Camp Thurman annualized to FT equivalent as most are seasonal.

This page is left blank intentionally.

TOWN OF PANTEGO, TEXAS

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Full-Time-Equivalent Employees as of Year End									
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
City Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accounts Payable/Payroll HR	1.0	1.0	1.0	1.0	1.0	1.0	--	1.0	1.0	1.0
Utility Billing Coordinator	--	--	--	--	--	--	--	--	--	--
Support Specialist	2.0	2.0	2.0	2.0	--	--	--	--	--	--
Public Safety Chief	--	1.0	1.0	--	--	--	--	--	--	--
Public Works										
Public Works Director	1.0	1.0	1.0	1.0	1.0	1.0	--	1.0	1.0	1.0
Support Specialist	--	--	--	--	1.0	1.0	1.0	1.0	1.0	2.0
Code Enforcement	1.0	--	--	--	--	--	--	--	--	0.5
Foreman	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Public Works Worker	5.0	4.5	4.5	3.5	3.5	3.5	3.5	3.5	3.5	4.5
Community Development										
Community Development Director	--	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	--
Support Specialist	--	--	--	--	1.0	1.0	1.0	1.0	1.0	--
Police										
Police Chief	1.0	--	--	--	--	--	--	1.0	1.0	1.0
Public Safety Chief	--	--	--	0.5	0.5	0.5	--	--	--	--
Assistant Police Chief	--	1.0	1.0	1.0	1.0	1.0	--	--	--	--
Captain	--	--	--	--	--	--	--	1.0	1.0	1.0
Lieutenant	1.0	--	--	--	--	--	--	--	--	--
Sergeant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sergeant CID	1.0	1.0	1.0	1.0	1.0	1.0	1.0	--	--	--
Corporal	2.0	2.0	2.0	1.0	1.0	2.0	--	2.0	2.0	2.0
Officer	6.0	6.0	6.0	7.0	7.0	6.0	6.0	6.0	6.5	6.5
School Crossing Guard	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Dispatcher	6.0	5.5	5.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Fire										
Fire Chief	1.0	--	--	--	--	--	--	1.0	1.0	1.0
Public Safety Chief	--	--	--	0.5	0.5	0.5	--	--	--	--
Assistant Fire Chief	--	1.0	1.0	1.0	1.0	1.0	--	--	--	--
Captain	--	--	--	--	--	--	--	--	--	--
Lieutenant	3.0	3.0	3.0	3.0	3.0	3.0	2.0	3.0	3.0	3.0
Fire Inspector	--	--	--	--	--	--	0.5	0.5	--	--
Emergency Management Coordinator	--	--	--	--	--	--	--	--	0.5	1.0
Firefighter/Paramedic	6.0	6.0	6.0	6.0	6.0	6.0	9.0	8.5	10.5	7.0
Court Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Court Clerk	--	--	--	--	--	--	--	0.5	0.5	0.5
Deputy Court Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Court Clerk	0.5	0.5	0.5	0.5	0.5	0.5	--	--	--	--
Warrant Officer	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Total	47.0	46.0	46.0	45.5	45.5	45.5	40.5	47.5	49.0	45.5

Source:
City Human Resources Office

Notes:
A fulltime employee is scheduled to work 2080 hours per year (including vacation and sick leave). Fulltime equivalent employment is calculated by dividing total labor hours by 2080.

TOWN OF PANTEGO, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	Fiscal Year 2012	2013	2014	2015	2016	2017	2018
Public safety							
Police							
Number of employees	18.5	17.0	17.0	17.0	17.0	17.0	13.5
Part 1 index crimes	157.0	162.0	144.0	117.0	108.0	109.0	122.0
Total calls	22,611.0	22,611.0	24,428.0	20,786.0	16,847.0	15,092.0	19,243.0
Crash reports	92.0	70.0	62.0	58.0	81.0	86.0	82.0
Citations	8,072.0	8,790.0	6,796.0	6,733.0	5,028.0	5,545.0	7,676.0
Warrants issued/CID	--	--	--	20.0	--	9.0	14.0
Total arrests	1,137.0	1,324.0	976.0	995.0	756.0	552.0	532.0
Fire							
Number of employees	10.0	10.0	10.0	10.5	11.0	10.5	11.5
Number of calls for service	1,476.0	1,521.0	1,700.0	1,855.0	1,876.0	1,864.0	1,869.0
Automatic and mutual aid	814.0	994.0	1,000.0	1,109.0	1,189.0	1,155.0	1,311.0
Inspections	367.0	709.0	799.0	711.0	1,027.0	299.0	315.0
Municipal court							
Number of employees	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Citations processed	7,780.0	9,462.0	6,591.0	6,943.0	6,144.0	6,057.0	6,517.0
Warrants processed	4,623.0	5,825.0	8,280.0	7,952.0	5,790.0	2,995.0	4,230.0
Public works							
Number of employees	8.0	6.5	6.5	6.5	6.5	7.5	6.5
Hours worked per function:							
Public works - utility billing	--	--	--	1,120.0	1,140.0	1,841.0	1,820.0
Public works - administration	1,171.0	2,035.0	1,806.0	2,990.0	2,964.0	5,696.0	4,916.0
Parks	1,729.0	1,950.0	1,616.0	1,978.0	2,004.0	2,054.0	2,227.0
Maintenance	805.0	1,406.0	1,392.0	7,070.0	7,068.0	6,052.0	5,687.0
Streets/Drainage	1,080.0	1,635.0	1,711.0	1,132.0	1,236.0	948.0	938.0
Animal control	194.0	154.0	214.0	202.0	36.0	426.0	548.0
Community Development							
Building Safety Inspections	599.0	669.0	559.0	682.0	375.0	429.0	473.0
Code Compliance Inspections	127	200.0	69.0	66.0	28.0	51.0	97.0
Commercial Permits Issued	103.0	112.0	123.0	119.0	122.0	97.0	114.0
Residential Permits Issued	118.0	129.0	124.0	127.0	133.0	125.0	122.0
Certificates of Occupancy Issued	72.0	93.0	93.0	115.0	176.0	102.0	74.0
Water and Sewer							
Number of water customers	1,197.0	1,193.0	1,187.0	1,197.0	1,210.0	1,218.0	1,218.0
Number of sewer connections	1,140.0	1,144.0	1,141.0	1,161.0	1,160.0	1,166.0	1,169.0
Number of solid waste customers	923.0	925.0	923.0	935.0	938.0	942.0	947.0
Number of recycling customers	873.0	875.0	872.0	886.0	886.0	886.0	887.0
Yearly water consumption (MILLIONS OF GALLONS)	214.1	174.5	267.9	163.0	157.5	154.7	179.8
Yearly sewer usage (MILLIONS OF GALLONS)	125.8	109.4	114.3	108.0	101.0	103.3	106.2

Sources: Various Town department records.
Note: Public Works functions include parks, streets, facilities maintenance, animal control services, water and wastewater operations, inclucing utility billing.

TABLE D-21

2019	2020	2021
16.5	17.0	17.0
158.0	278.0	271.0
19,396.0	24,807.0	24,958.0
37.0	91.0	60.0
4,571.0	5,643.0	5,303.0
33.0	30.0	24.0
457.0	186.0	63.0
13.0	15.0	12.0
1,723.0	1,472.0	1,953.0
956.0	799.0	1,648.0
287.0	240.0	292.0
4.5	3.5	3.5
5,400.0	3,855.0	3,386.0
4,615.0	1,222.0	671.0
7.5	7.5	9.0
1,820.0	1,820.0	1,820.0
4,916.0	4,916.0	4,916.0
2,227.0	2,227.0	2,227.0
5,687.0	5,687.0	5,687.0
938.0	938.0	938.0
548.0	548.0	548.0
271.0	206.0	281.0
60.0	50.0	216.0
81.0	49.0	68.0
119.0	93.0	129.0
57.0	78.0	78.0
1,218.0	1,206.0	1,189.0
1,169.0	1,169.0	1,139.0
948.0	929.0	923.0
888.0	875.0	767.0
174.7	162.5	170.2
105.9	89.5	88.4

TABLE D-22

TOWN OF PANTEGO, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	6	6	6	6	6	6	6	6	6	6
Police admin units	2	2	2	1	2	2	2	4	1	1
Fire stations	1	1	1	1	1	1	1	1	1	1
Ambulance units	2	2	2	2	2	2	2	2	2	2
Fire engine units	2	2	2	2	2	2	2	3	1	2
Hazmat units	1	1	1	1	1	1	--	--	--	--
Fire admin units	3	3	3	3	3	3	3	2	2	2
Streets										
Streets (miles)	17.62	17.62	17.62	17.62	17.62	17.62	17.62	17.62	17.62	17.62
Traffic signals	8		8	8	8	8	8	8	8	8
Streetlights	237	237	237	237	237	237	237	237	237	237
Culture and Recreation										
Parks	1	1	1	1	1	1	1	1	1	1
Park (acres)	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69	7.69
Playgrounds	3	3	3	3	3	3	3	3	3	3
Basketball courts	2	2	2	2	2	2	2	2	2	2
Park Pavilions	3	3	3	3	3	3	3	3	3	3
Splash Pad	--	--	--	--	--	--	1	1	1	1
Water and sewer										
Miles of water main	23.5	23.5	23.5	23.5	23.5	24.0	24.0	24.0	24.0	24.0
Miles of sewer main	25.3	25.3	25.3	25.3	25.3	25.0	25.0	25.0	25.0	25.0
Water storage facilities	3	3	3	3	3	3	3	3	3	3
Number of fire hydrants	171	171	171	171	171	171	171	171	171	171

Sources: Various Town Departmental records.